

# Audit Reports -2023



Audit	Date Issued	Audit Number
Monthly Report on Political Subdivision Filings October 2023	12/28/2023	2023-090
Monthly Report on Municipal Court and Revenue Filings October 2023	12/28/2023	2023-089
Schuyler County Financial Statements	12/22/2023	2023-088
Clinton County Financial Statements	12/22/2023	2023-087
Jackson County Assessment Department Preliminary Review	12/18/2023	2023-086
Dekalb County Financial Statements	12/15/2023	2023-085
Monthly Report on Political Subdivision Filings September 2023	11/22/2023	2023-084
Monthly Report on Municipal Court and Revenue Filings September 2023	11/22/2023	2023-083
Ozark County	11/21/2023	2023-082
Ray County Financial Statements	11/17/2023	2023-081
Department of Commerce and Insurance - Insurance	11/15/2023	2023-080
Missouri State Lottery Commission	11/08/2023	2023-079
Warren County Financial Statements	11/03/2023	2023-078
Marion County Financial Statements	11/03/2023	2023-077
Holt County Financial Statements	11/03/2023	2023-076
Chariton County	10/27/2023	2023-075
Henry County Financial Statements	10/27/2023	2023-074
Dunklin County Sewer District	10/17/2023	2023-073
Nodaway County Financial Statements	10/13/2023	2023-072
Grundy County Financial Statements	10/13/2023	2023-071
Monthly Report on Political Subdivision Filings August 2023	10/06/2023	2023-070
Monthly Report on Municipal Court and Revenue Filings August 2023	10/06/2023	2023-069
Stone County Financial Statements	10/06/2023	2023-068
Ray County	10/02/2023	2023-067
Howard County Financial Statements	09/29/2023	2023-066
Miller County Financial Statements	09/22/2023	2023-065
Douglas County Financial Statements	09/22/2023	2023-064
St. John's Church Road Transportation Development District	09/22/2023	2023-063
Review of Article X, Sections 16 Through 24, Constitution of Missouri Year Ended June 30, 2022	09/21/2023	2023-062
Monthly Report on Political Subdivision Filings July 2023	09/15/2023	2023-061
Monthly Report on Municipal Court and Revenue Filings July 2023	09/15/2023	2023-060
St. Louis County Fire Protection Districts	09/15/2023	2023-059
Greene County Fire Protection Districts	09/15/2023	2023-058
OSCA Statewide Audits Summary Letter	09/15/2023	2023-057
SOS Statewide Audits Summary Letter	09/15/2023	2023-056
STO Statewide Audits Summary Letter	09/15/2023	2023-055
DSS Statewide Audits Summary Letter	09/15/2023	2023-054

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DOR Statewide Audits Summary Letter	09/15/2023	2023-053
DPS-MVC Statewide Audits Summary Letter	09/15/2023	2023-052
DNR Statewide Audits Summary Letter	09/15/2023	2023-051
DMH Statewide Audits Summary Letter	09/15/2023	2023-050
DOLIR Statewide Audits Summary Letter	09/15/2023	2023-049
DHEWD Statewide Audits Summary Letter	09/15/2023	2023-048
DHSS Statewide Audits Summary Letter	09/15/2023	2023-047
DESE Statewide Audits Summary Letter	09/15/2023	2023-046
DED Statewide Audits Summary Letter	09/15/2023	2023-045
DOC Statewide Audits Summary Letter	09/15/2023	2023-044
MDC Statewide Audits Summary Letter	09/15/2023	2023-043
OA Statewide Audits Summary Letter	09/15/2023	2023-042
Missouri Vocational Enterprise Program	09/06/2023	2023-041
Department of Revenue Sales and Use Tax	08/29/2023	2023-040
Ralls County Financial Statements	08/25/2023	2023-039
Olive Boulevard Transportation Development District	08/24/2023	2023-038
Monthly Report on Political Subdivision Filings June 2023	08/18/2023	2023-037
Monthly Report on Municipal Court and Revenue Filings June 2023	08/18/2023	2023-036
City of St. Louis Recorder of Deeds and Vital Records Registrar	08/16/2023	2023-035
Wentzville Parkway Transportation Development District	08/11/2023	2023-034
Office of State Treasurer Period July 1, 2022 through January 9, 2023	08/09/2023	2023-033
Office of State Treasurer	08/09/2023	2023-032
2022 Annual Report	07/28/2023	2023-031
State of Missouri Single Audit Year Ended June 30, 2022	07/20/2023	2023-030
Monthly Report on Political Subdivision Filings May 2023	07/07/2023	2023-029
Monthly Report on Municipal Court and Revenue Filings May 2023	07/07/2023	2023-028
Howell County	06/30/2023	2023-027
City of Holland	06/28/2023	2023-026
City of Cuba	06/14/2023	2023-025
Monthly Report on Political Subdivision Filings April 2023	06/02/2023	2023-024
Monthly Report on Municipal Court and Revenue Filings April 2023	06/02/2023	2023-023
Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters / Year Ended June 30, 2022	05/23/2023	2023-022
Atchison County Financial Statements	05/19/2023	2023-021
Polk County Collector and Property Tax System	05/18/2023	2023-020
Monthly Report on Political Subdivision Filings March 2023	05/03/2023	2023-019
Monthly Report on Municipal Court and Revenue Filings March 2023	05/03/2023	2023-018
Washington County Financial Statements	04/07/2023	2023-017
Reynolds County Financial Statements	04/07/2023	2023-016
Gasconade County Financial Statements	03/31/2023	2023-015
Monthly Report on Political Subdivision Filings February 2023	03/29/2023	2023-014
Monthly Report on Municipal Court and Revenue Filings February 2023	03/29/2023	2023-013
Gaming Proceeds for Education Fund	03/27/2023	2023-012
Working Capital Revolving Fund	03/27/2023	2023-011
Annual Comprehensive Financial Report / Year Ended June 30, 2022	03/24/2023	2023-010
Compilation of 2022 Federal Forfeiture Reports	03/21/2023	2023-009
Laclede County Financial Statements	03/17/2023	2023-008
Monthly Report on Political Subdivision Filings January 2023	03/06/2023	2023-007
Monthly Report on Municipal Court and Revenue Filings January 2023	03/06/2023	2023-006
City of Cross Timbers-Utility Letter	02/27/2023	2023-005
Compilation of 2022 Criminal Activity Forfeiture Act Seizures	02/22/2023	2023-004
Monthly Report on Political Subdivision Filings December 2022	02/15/2023	2023-003
Monthly Report on Municipal Court and Revenue Filings December 2022	02/15/2023	2023-002



Audit		Date Issued	Audit Number
Statewide Accounting System Internal Controls		02/08/2023	2023-001



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
October 2023

Report No. 2023-090

December 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## October 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions, other than cities, towns, and villages, required to file a financial report under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Due to different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 105 political subdivisions required to file a financial report by October 31, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in October 2023, after their filing deadline. The filing status for these 22 entities is presented in summary on page 3 and by individual entity in Appendixes B to G.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being large and prominent.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## October 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.

This report includes the filing status for the 105 political subdivisions, other than cities, towns, and villages, with a fiscal year end of April 30, 2023. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 105 political subdivisions, 82 filed an annual financial report timely.

This report also includes the filing status for 22 political subdivisions, other than cities, towns, and villages, that filed their financial report in October 2023, after their filing deadline.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due October 31, 2023

Fiscal Year Ended April 30, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Boone	East Ashland Plaza CID	Yes	August 15, 2023
Butler	North Inter-River Drainage District	Yes	July 25, 2023
Camden	Lake Ozarks Community Bridge TDD	Yes	October 24, 2023
Clay	Antioch Center CID	No	
	Brighton Creek Commons CID	Yes	August 29, 2023
	Creekwood Commons CID	Yes	August 28, 2023
	Flintlock Plaza CID	Yes	August 23, 2023
	Flintlock Shoppes CID	Yes	August 23, 2023
	Marketplace 152 CID	Yes	August 29, 2023
	Metro North Crossing CID	No	
	Metro North Square & Commons CID	Yes	August 29, 2023
	North Oak Village CID	Yes	October 30, 2023
	Oak Barry CID	Yes	August 29, 2023
	Pioneer Center CID	Yes	October 18, 2023
	Romanelli Shops CID	Yes	October 13, 2023
	Shoal Creek Parkway/North Oak Trafficway TDD	Yes	October 30, 2023
	Shoal Creek Valley CID	No	
	South Bristol Center CID	Yes	August 27, 2023
	Twin Creeks Center CID	Yes	August 29, 2023
	Twin Creeks Village East CID	Yes	August 29, 2023
	Valley View CID	Yes	October 31, 2023
	Villages CID	No	
DeKalb	DeKalb-Clinton County Ambulance District 1	Yes	August 8, 2023
Jackson	1111 Grand CID	Yes	October 13, 2023
	1200 Main/South Loop CID	Yes	September 18, 2023
	12th & Wyandotte CID	No	
	12th Street Heritage CID	Yes	October 31, 2023
	1707 Locust CID	Yes	October 13, 2023
	31 Street CID	Yes	August 29, 2023
	39th Street CID	Yes	October 26, 2023
	46th & Wornall CID #1	Yes	October 13, 2023
	46th & Wornall CID #2	Yes	October 13, 2023
	4840 CID	Yes	October 13, 2023
	5050 Main CID	Yes	August 17, 2023
	51st & Oak CID	Yes	August 30, 2023
	801 Westport Road CID	Yes	August 21, 2023
	89th & State Line CID	Yes	August 23, 2023
	906 Grand CID	Yes	August 18, 2023
	9th & Central CID	No	
	Broadway Area CID	No	
	Brookside CID	No	
	Brywood Centre CID	Yes	October 30, 2023
	Downtown Kansas City CID	Yes	August 11, 2023
	Electric Park CID	Yes	May 11, 2023
	Freight House CID	Yes	June 12, 2023
	Grand Reserve CID	No	
	Greenway Fields Neighborhood CID	Yes	August 29, 2023



Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due October 31, 2023

Fiscal Year Ended April 30, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jackson	Health Sciences CID	Yes	October 2, 2023
	Historic Kansas City Club CID	Yes	October 31, 2023
	I-70 & Blue Ridge Cutoff CID	No	
	Independence Avenue CID	Yes	October 20, 2023
	InterContinental CID	Yes	August 24, 2023
	Kansas City Downtown Streetcar TDD	Yes	October 19, 2023
	Kansas City Main Street Rail TDD	Yes	October 19, 2023
	Kansas City MO PID 1	Yes	August 31, 2023
	Kansas City MO PID 2	Yes	August 31, 2023
	Kansas City MO PID 3	Yes	August 31, 2023
	Kansas City MO PID 4	Yes	August 31, 2023
	Kansas City MO PID 5	Yes	August 31, 2023
	Kansas City MO PID 7	Yes	August 31, 2023
	KC Convention Center Headquarters Hotel CID	Yes	October 13, 2023
	Landing Mall CID	Yes	August 22, 2023
	Linwood Shopping Center CID	No	
	Linwood Square Shopping Center CID	No	
	Martin City CID	No	
	Performing Arts CID	Yes	August 30, 2023
	Pershing & Grand CID	Yes	October 24, 2023
	Pioneer Plaza CID	Yes	October 31, 2023
	Plaza East CID	Yes	October 31, 2023
	PWSD 2 Jackson County	Yes	June 27, 2023
	Red Bridge Shopping Center CID	Yes	August 31, 2023
	River Market CID	Yes	August 11, 2023
	Shops on Blue Parkway CID	No	
	Skelly CID	Yes	August 22, 2023
	State Line Shopping Center CID	Yes	August 31, 2023
	Troost Avenue CID	No	
	Truman Road CID	No	
	Uptown CID	Yes	August 29, 2023
	Vine Street CID	Yes	August 25, 2023
	Waldo CID	No	
	WallStreet Garage CID	Yes	October 20, 2023
	Ward Parkway Center CID	Yes	October 31, 2023
	Ward Parkway Plaza CID	Yes	August 23, 2023
	Watts Mill CID	Yes	August 23, 2023
	Westport CID II	Yes	September 29, 2023
	Wornall Village CID	Yes	October 20, 2023
Jasper	Briarbrook CID	No	
Mississippi	St. James Drainage District	No	
New Madrid	Drainage District 38 New Madrid County	Yes	October 17, 2023
	Richland Drainage District	No	
Oregon	PWSD 1 Oregon County	Yes	September 12, 2023
Pemiscot	Elk Chute Drainage District	Yes	July 24, 2023
Platte	Ambassador Building CID	Yes	August 29, 2023
	Edgewood Farms CID	No	

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due October 31, 2023

Fiscal Year Ended April 30, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Platte	K.C. International Airport CID	Yes	August 29, 2023
	NW 112th Street CID	Yes	October 30, 2023
	Old Foundation CID	Yes	August 23, 2023
	PWSD 6 Platte County	Yes	October 24, 2023
	Tiffany Landing CID	Yes	August 29, 2023
	Tiffany Square East CID	Yes	August 24, 2023
	Twin Creeks Village West CID	Yes	August 29, 2023
	Zona Rosa CID	Yes	August 1, 2023
Ray	Senior Citizen's NHD	No	
Shelby	Valley Drainage District	Yes	May 8, 2023
Ste. Genevieve	Ste. Genevieve County Memorial Hospital	No	
Total Filed		82	
Total Not Filed		23	

Acronyms:

CID	Community Improvement District
NHD	Nursing Home District
PID	Port Improvement District
PWSD	Public Water Supply District
TDD	Transportation Development District

Appendix B

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due December 31, 2022

Filed in October 2023

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Clay	Pleasant Valley CID	Yes	October 20, 2023
Total Filed		1	

Acronyms:

CID                      Community Improvement District

Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due January 31, 2023

Filed in October 2023

Fiscal Year Ended July 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Ray	Richmond SRD Ray County	Yes	October 17, 2023
Total Filed		1	

Acronyms:

SRD                      Special Road District

Appendix D

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due March 31, 2023

Filed in October 2023

Fiscal Year Ended September 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Daviess	PWSD 2 Daviess County	Yes	October 31, 2023
Total Filed		1	

Acronyms:

PWSD          Public Water Supply District

## Appendix E

Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023  
Filed in October 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Audrain	PWSD 1 Audrain County	Yes	October 10, 2023
Barry	Seligman FPD	Yes	October 2, 2023
Benton	Warsaw FPD	Yes	October 10, 2023
Boone	Stadium Corridor TDD	Yes	October 6, 2023
Callaway	New Bloomfield FPD	Yes	October 6, 2023
Cass	PWSD 12 Cass County	Yes	October 13, 2023
Clay	PWSD 5 Clay County	Yes	October 4, 2023
Jackson	New Longview TDD	Yes	October 11, 2023
Lincoln	Clarence Cannon Memorial WSD	Yes	October 3, 2023
Livingston	PWSD 3 Livingston County	Yes	October 19, 2023
Nodaway	Elmo Area FPD	Yes	October 10, 2023
Phelps	Duke Rural FPD	Yes	October 5, 2023
Randolph	Westran FPD	Yes	October 19, 2023
Saline	Grand Pass SRD Saline County	Yes	October 3, 2023
Shannon	Shannon County Ambulance District	Yes	October 2, 2023
Taney	Branson Hills CID	Yes	October 6, 2023
Total Filed		16	

### Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
PWSD	Public Water Supply District
TDD	Transportation Development District
SRD	Special Road District
WSD	Watershed Subdistrict



Appendix F

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due August 31, 2023

Filed in October 2023

Fiscal Year Ended February 28, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Carroll	Dewitt Drainage & Levee District	Yes	October 26, 2023
Total Filed		1	

Appendix G

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due September 30, 2023

Filed in October 2023

Fiscal Year Ended March 31, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Caldwell	Golden Age Nursing Home District	Yes	October 27, 2023
Perry	Perry County Memorial Hospital	Yes	October 24, 2023
Total Filed		2	



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
October 2023

Report No. 2023-089

December 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## October 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by October 31, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030 and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Due to different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 19 cities, 1 town, and 4 villages is presented in summary on page 3 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in October 2023, after their filing deadline. The filing status for these 35 cities, 1 town, and 14 villages is presented in summary on page 4 and by individual entity in Appendixes B to E.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

October 2023

## Executive Summary

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### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedure to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. Rule 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires the SAO to notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359, RSMo, and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and a mandatory ballot measure to dissolve the political subdivision.

This report includes the filing status for the 19 cities, 1 town, and 4 villages with a fiscal year end of April 30, 2023, whose financial report was due by October 31, 2023. Of the 24 municipalities, 17 filed the financial report timely. Of the 17 municipalities required to file an addendum, 12 filed timely. Of the 6 municipalities required to file a certification, 5 filed timely.





Monthly Report on Municipal Court and Revenue Filings  
October 2023  
Executive Summary

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This report includes the filing status for 35 cities, 1 town, and 14 villages that filed at least one of the items (financial report, addendum, or certification) in October 2023, after their filing deadline. Of these municipalities, 30 filed an annual financial report, 17 filed an addendum, and 10 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due October 31, 2023

Fiscal Year Ended April 30, 2023

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Benton	Village of Ionia	Yes	May 16, 2023	N/A	N/A
Boone	City of Ashland	Yes	July 26, 2023	Yes	N/A
Dunklin	City of Hornersville	No		No	N/A
Gentry	Village of Gentry	No		N/A	N/A
Grundy	City of Trenton	Yes	October 18, 2023	Yes	N/A
Jackson	City of Kansas City	Yes	October 31, 2023	Yes	Yes
Jasper	City of Carl Junction	No		Yes	No
Lafayette	City of Alma	No		No	N/A
Lewis	City of La Belle	Yes	October 31, 2023	N/A	N/A
	City of La Grange	Yes	September 7, 2023	Yes	Yes
Lincoln	Village of Truxton	No		No	N/A
Marion	City of Palmyra	Yes	October 30, 2023	Yes	N/A
Mercer	City of Princeton	Yes	September 27, 2023	No	N/A
Mississippi	City of Charleston	Yes	October 27, 2023	Yes	Yes
New Madrid	City of Portageville	Yes	September 18, 2023	Yes	Yes
	City of Risco	Yes	September 1, 2023	Yes	N/A
Newton	Town of Grand Falls Plaza	Yes	July 10, 2023	N/A	N/A
	Village of Wentworth	Yes	July 3, 2023	N/A	N/A
Osage	City of Linn	Yes	September 1, 2023	Yes	N/A
Phelps	City of St. James	Yes	June 2, 2023	No	N/A
Ralls	City of Perry	Yes	October 19, 2023	Yes	N/A
Randolph	City of Higbee	Yes	July 17, 2023	N/A	N/A
St. Charles	City of Portage Des Sioux	No		N/A	N/A
St. Louis	City of Beverly Hills	No		Yes	Yes
Total Filed		17		12	5
Total Not Filed		7		5	1
Total N/A		0		7	18

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in October 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Audrain	City of Laddonia	***	February 2, 2023	Yes	N/A
Greene	City of Ash Grove	**	September 20, 2022	***	Yes
Mercer	City of Mercer	***	March 3, 2023	Yes	N/A
Ralls	Village of Rensselaer	Yes	October 17, 2023	N/A	N/A
Randolph	City of Clark	**	December 16, 2022	Yes	N/A
Stone	Village of McCord Bend	Yes	October 9, 2023	N/A	N/A
Total Filed		2		3	1

\*\* Filed by December 31, 2022.

\*\*\* Filed after December 31, 2022, but before October 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023  
Filed in October 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	City of Normandy	Yes	October 11, 2023	***	**
Stoddard	City of Advance	**	February 6, 2023	Yes	Yes
Total Filed		1		1	1

\*\* Filed by March 31, 2023.

\*\*\* Filed after March 31, 2023, but before October 2023.

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023  
Filed in October 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Boone	Town of McBaine	Yes	October 3, 2023	N/A	N/A
Cass	Village of Gunn City	Yes	October 12, 2023	N/A	N/A
Christian	City of Ozark	***	July 10, 2023	Yes	N/A
Dade	Village of Arcola	Yes	October 6, 2023	N/A	N/A
Iron	Village of Des Arc	Yes	October 5, 2023	N/A	N/A
Knox	Village of Novelty	**	June 27, 2023	Yes	N/A
Lawrence	Village of Freistatt	Yes	October 17, 2023	No	N/A
Lincoln	City of Elsberry	***	July 13, 2023	Yes	Yes
	City of Winfield	Yes	October 4, 2023	***	N/A
	Village of Fountain 'N Lakes	Yes	October 4, 2023	No	N/A
Moniteau	City of Jamestown	**	June 28, 2023	Yes	N/A
New Madrid	City of Canalou	Yes	October 2, 2023	No	N/A
Newton	City of Fairview	No		Yes	N/A
Ray	City of Camden	**	June 29, 2023	**	Yes
	City of Crystal Lakes	**	June 29, 2023	**	Yes
	City of Excelsior Estates	Yes	October 7, 2023	N/A	N/A
	City of Fleming	**	June 29, 2023	**	Yes
	City of Henrietta	**	June 29, 2023	**	Yes
	City of Lancaster	**	June 30, 2023	Yes	N/A
	City of Queen City	**	June 30, 2023	Yes	N/A
Scott	City of Morley	**	June 29, 2023	Yes	N/A
St. Louis	City of Dellwood	Yes	October 13, 2023	Yes	Yes
	City of Green Park	Yes	October 12, 2023	N/A	N/A
	City of Shrewsbury	***	August 31, 2023	Yes	***
	Village of Westwood	***	September 21, 2023	***	Yes
Taney	City of Merriam Woods	Yes	October 25, 2023	No	N/A
Total Filed		12		10	7

\*\* Filed by June 30, 2023.

\*\*\* Filed after June 30, 2023, but before October 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2023  
Filed in October 2023

Fiscal Year Ended March 31, 2023

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Bates	City of Butler	Yes	October 2, 2023	**	**
Boone	City of Centralia	Yes	October 3, 2023	No	N/A
Buchanan	Village of Agency	Yes	October 29, 2023	N/A	N/A
Cape Girardeau	Village of Pocahontas	Yes	October 26, 2023	N/A	N/A
Carroll	City of Norborne	Yes	October 2, 2023	No	N/A
Cass	City of Pleasant Hill	Yes	October 31, 2023	**	**
Clay	City of Mosby	Yes	October 26, 2023	No	N/A
	Village of Oakview	Yes	October 4, 2023	No	Yes
Cooper	City of Blackwater	**	August 24, 2023	Yes	N/A
Franklin	Village of Leslie	Yes	October 25, 2023	N/A	N/A
Grundy	City of Spickard	Yes	October 23, 2023	N/A	N/A
Jefferson	City of Crystal City	Yes	October 24, 2023	Yes	No
Lawrence	City of Verona	Yes	October 24, 2023	**	**
Mississippi	City of East Prairie	Yes	October 25, 2023	Yes	**
Scotland	Village of Arbela	Yes	October 3, 2023	N/A	N/A
Texas	City of Licking	Yes	October 23, 2023	No	N/A
Total Filed		15		3	1

\*\* Filed by September 30, 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.





**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Schuyler County, Missouri

The Office of the State Auditor contracted for an audit of Schuyler County's financial statements for the 2 years ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

December 2023  
Report No. 2023-088



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the audit of Schulyer County

Collector Voided Receipts	The Collector continue to ensure that documentation is maintained to support voided receipts in accordance with their newly developed practices.
Investment Policy	The county formally adopt the investment policy to comply with state statutes.

ANNUAL FINANCIAL REPORT

**SCHUYLER COUNTY, MISSOURI**

For the Years Ended  
December 31, 2022 and 2021

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

# SCHUYLER COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

SCHUYLER COUNTY, MISSOURI  
List of Elected Officials 2021-2022

*County Commission*

Presiding Commissioner – Rodney Cooper

Commissioner, Northern District – Jim Werner

Commissioner, Southern District – Jeff Lindquist

*Other Elected Officials*

Assessor – Gary Stump

Circuit Clerk – Cindy Robinson-Steen

Collector – Tammy R. Steele

Coroner – Julia McNabb

County Clerk – Bree Lawson

Prosecuting Attorney – Lindsay Gravett

Public Administrator – Mary (Melody) Whitacre

Recorder – Sara Jo Beeler

Sheriff – Joe Wuebker

Treasurer – Karmen Burt

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Schuyler County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Schuyler County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2021 and 2022, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Schuyler County, Missouri, as of December 31, 2021 and 2022, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Schuyler County, Missouri, as of December 31, 2021 and 2022, or the changes in financial position thereof for the years then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Schuyler County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Schuyler County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Schuyler County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated November 14, 2023, on our consideration of Schuyler County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Schuyler County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
November 14, 2023

SCHUYLER COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund	Cash and Investments January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Investments December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Investments December 31, 2022
	\$	\$	\$	\$	\$	\$	\$
General Revenue	137,526	934,405	867,594	204,337	1,150,702	1,089,579	265,460
Special Road & Bridge	212,243	894,799	863,078	243,964	1,621,760	1,517,343	348,381
Assessment	2,322	94,806	94,166	2,962	157,892	111,197	49,657
Law Enforcement Training	4,973	1,366	1,350	4,989	993	2,500	3,482
Prosecuting Attorney Training	94	951	1,045	-	708	708	-
Law Sales	-	608,051	597,920	10,131	772,736	782,867	-
Recorder's Special	7,099	2,354	2,213	7,240	1,625	-	8,865
Sales Tax Trust	139,439	199,725	183,489	155,675	219,546	199,625	175,596
Bad Check	1,896	1,647	2,487	1,056	1,540	1,214	1,382
Civil Service	2,909	3,469	3,957	2,421	4,313	4,003	2,731
County Clerk 5% Election	11,386	2,775	7,899	6,262	8,524	7,390	7,396
Recorder's Tech	2,161	938	-	3,099	930	-	4,029
Special Elections	-	8,941	8,941	-	24,354	24,354	-
Senior Citizen	-	33,521	33,521	-	70,829	70,829	-
Domestic Violence	-	170	170	-	160	160	-
Collector's Tax Maintenance	15,740	7,353	9,238	13,855	7,015	3,903	16,967
Sheriff Revolving	6,175	6,066	2,111	10,130	1,008	5	11,133
Confined Animal Feeding Operation (CAFO)	5,464	32	-	5,496	16	-	5,512
Law Enforcement Restitution	2,267	3,119	-	5,386	4,225	3,668	5,943
Collector's Restitution	-	3,014	3,014	-	1,600	-	1,600
Modex	18,937	12,680	4,730	26,887	7,554	6,418	28,023
County Improvement Corporation	1,200	1,759	2,959	-	-	-	-
Drug/Alcohol Education Training	4,615	1,882	420	6,077	395	-	6,472
ARPA	-	454,146	-	454,146	454,286	328,528	579,904
Total	576,446	3,277,969	2,690,302	1,164,113	4,512,711	4,154,291	1,522,533

The accompanying Notes to the Financial Statements are an integral part of this statement.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND Year Ended December 31,				
	2021		2022	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Property taxes	\$ 333,500	\$ 273,159	\$ 460,000	\$ 468,392
Sales taxes	380,000	398,394	424,000	438,523
Intergovernmental	111,931	99,158	51,701	52,827
Charges for services	120,000	134,455	130,000	153,934
Interest	1,000	1,415	1,500	1,209
Other	27,500	7,824	27,000	10,817
Transfers in	40,576	20,000	54,998	25,000
Total Receipts	<u>\$ 1,014,507</u>	<u>\$ 934,405</u>	<u>\$ 1,149,199</u>	<u>\$ 1,150,702</u>
DISBURSEMENTS				
County Commission	\$ 86,454	\$ 79,729	\$ 103,983	\$ 98,200
County Clerk	80,181	74,034	130,855	97,331
Elections	11,799	-	28,439	11,257
Buildings and grounds	100,000	92,634	140,000	100,722
Employee fringe benefits	28,300	26,481	32,700	31,122
Treasurer	40,341	39,313	48,923	46,352
Collector	67,016	69,954	91,736	87,449
Recorder of Deeds	50,316	47,585	60,996	59,991
Circuit Clerk	8,100	7,786	14,600	12,178
Court administration	14,940	12,391	14,180	12,700
Public Administrator	22,678	22,614	30,831	30,212
Other County government	182,694	159,880	143,287	121,147
Health and welfare	2,535	2,173	3,116	2,397
Transfers out	282,773	233,020	423,281	378,521
Emergency fund	27,995	-	37,459	-
Total Disbursements	<u>\$ 1,006,122</u>	<u>\$ 867,594</u>	<u>\$ 1,304,386</u>	<u>\$ 1,089,579</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ 8,385</u>	<u>\$ 66,811</u>	<u>\$ (155,187)</u>	<u>\$ 61,123</u>
CASH AND INVESTMENTS, JANUARY 1	<u>137,526</u>	<u>137,526</u>	<u>204,337</u>	<u>204,337</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 145,911</u></u>	<u><u>\$ 204,337</u></u>	<u><u>\$ 49,150</u></u>	<u><u>\$ 265,460</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD & BRIDGE FUND			ASSESSMENT FUND			
	Year Ended December 31,			Year Ended December 31,			
	2021	2022		2021	2022		
	Budget	Actual		Budget	Actual	Budget	Actual
<b>RECEIPTS</b>							
Property taxes	\$ 665,000	\$ 484,653	\$ 710,000	\$ 923,417	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	302,540	352,630	298,499	499,473	121,545	89,851	152,711
Charges for services	2,000	45,141	16,000	12,252	5,000	2,556	3,308
Interest	2,000	1,647	2,000	1,540	150	181	222
Other	10,800	10,728	11,000	15,609	2,000	2,218	1,651
Transfers in	-	-	-	169,469	-	-	-
Total Receipts	\$ 982,340	\$ 894,799	\$ 1,037,499	\$ 1,621,760	\$ 128,695	\$ 94,806	\$ 157,892
<b>DISBURSEMENTS</b>							
Salaries	\$ 280,000	\$ 253,051	\$ 300,000	\$ 228,113	\$ 75,021	\$ 75,227	\$ 88,141
Employee fringe benefits	48,800	46,161	45,800	39,756	9,000	9,059	9,808
Materials and supplies	304,000	346,017	340,000	620,144	9,960	7,460	14,100
Services and other	93,712	93,485	109,019	101,000	2,070	2,420	3,055
Capital outlay	85,000	104,364	305,132	503,330	-	-	1,973
Construction	-	-	-	-	-	-	-
Transfers out	40,576	20,000	54,998	25,000	-	-	-
Total Disbursements	\$ 852,088	\$ 863,078	\$ 1,154,949	\$ 1,517,343	\$ 96,051	\$ 94,166	\$ 111,197
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 130,252	\$ 31,721	\$ (117,450)	\$ 104,417	\$ 32,644	\$ 640	\$ 46,695
<b>CASH AND INVESTMENTS, JANUARY 1</b>	212,243	212,243	243,964	243,964	2,322	2,322	2,962
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 342,495	\$ 243,964	\$ 126,514	\$ 348,381	\$ 34,966	\$ 2,962	\$ 49,657

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT TRAINING FUND			PROSECUTING ATTORNEY TRAINING FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021		2022	2021		2022
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	500	500	500	-	-	-
Charges for services	850	836	800	1,000	949	707
Interest	35	30	30	5	2	1
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 1,385	\$ 1,366	\$ 1,330	\$ 993	\$ 951	\$ 708
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	850	1,350	2,500	1,000	1,045	708
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 850	\$ 1,350	\$ 2,500	\$ 1,045	\$ 1,005	\$ 708
<b>RECEIPTS OVER (UNDER)</b>						
<b>DISBURSEMENTS</b>	\$ 535	\$ 16	\$ (1,170)	\$ (1,507)	\$ 5	\$ (94)
<b>CASH AND INVESTMENTS,</b>						
<b>JANUARY 1</b>	4,973	4,973	4,989	4,989	94	94
<b>CASH AND INVESTMENTS,</b>						
<b>DECEMBER 31</b>	\$ 5,508	\$ 4,989	\$ 3,819	\$ 3,482	\$ 99	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	LAW SALES FUND				RECORDER'S SPECIAL FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	190,000	199,194	212,000	219,263	-	-	-	-
Intergovernmental	133,310	88,766	68,662	81,261	-	-	-	-
Charges for services	91,700	86,011	91,858	93,254	1,200	2,308	1,600	1,602
Interest	-	-	-	-	40	46	40	23
Other	2,090	1,060	1,500	437	-	-	-	-
Transfers in	282,773	233,020	322,406	378,521	-	-	-	-
Total Receipts	\$ 699,873	\$ 608,051	\$ 696,426	\$ 772,736	\$ 1,240	\$ 2,354	\$ 1,640	\$ 1,625
<b>DISBURSEMENTS</b>								
Salaries	\$ 386,606	\$ 375,986	\$ 438,358	\$ 439,522	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	50,266	50,142	51,500	53,267	-	-	-	-
Materials and supplies	22,290	24,029	25,960	22,157	6,000	2,213	5,500	-
Services and other	240,711	147,763	190,739	267,921	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 699,873	\$ 597,920	\$ 706,557	\$ 782,867	\$ 6,000	\$ 2,213	\$ 5,500	\$ -
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ -	\$ 10,131	\$ (10,131)	\$ (10,131)	\$ (4,760)	\$ 141	\$ (3,860)	\$ 1,625
<b>CASH AND INVESTMENTS, JANUARY 1</b>	-	-	10,131	10,131	7,099	7,099	7,240	7,240
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ -	\$ 10,131	\$ -	\$ -	\$ 2,339	\$ 7,240	\$ 3,380	\$ 8,865

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	SALES TAX TRUST FUND			BAD CHECK FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	190,000	199,196	212,000	219,262	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	1,200	-	550	284	1,600	1,540
Other	-	529	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 191,200	\$ 199,725	\$ 212,550	\$ 219,546	\$ 1,600	\$ 1,540
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	183,489	183,489	199,625	199,625	2,000	1,214
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 183,489	\$ 183,489	\$ 199,625	\$ 199,625	\$ 2,000	\$ 1,214
<b>RECEIPTS OVER (UNDER)</b>						
DISBURSEMENTS	\$ 7,711	\$ 16,236	\$ 12,925	\$ 19,921	\$ (1,400)	\$ (400)
CASH AND INVESTMENTS, JANUARY 1	139,439	139,439	155,675	155,675	1,896	1,056
CASH AND INVESTMENTS, DECEMBER 31	\$ 147,150	\$ 155,675	\$ 168,600	\$ 175,596	\$ 496	\$ 656
					\$ 1,056	\$ 1,382

The accompanying Notes to the Financial Statements are an integral part of these statements.



SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	CIVIL SERVICE FUND				COUNTY CLERK 5% ELECTION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	5,500	3,469	4,550	4,313	4,329	2,738	9,295	8,511
Interest	-	-	-	-	50	37	40	13
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 5,500	\$ 3,469	\$ 4,550	\$ 4,313	\$ 4,379	\$ 2,775	\$ 9,335	\$ 8,524
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	4,000	336	3,000	1,564
Services and other	5,000	3,957	5,000	4,003	1,000	618	1,200	1,191
Capital outlay	-	-	-	-	7,300	6,945	5,075	4,635
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 5,000	\$ 3,957	\$ 5,000	\$ 4,003	\$ 12,300	\$ 7,899	\$ 9,275	\$ 7,390
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 500	\$ (488)	\$ (450)	\$ 310	\$ (7,921)	\$ (5,124)	\$ 60	\$ 1,134
<b>CASH AND INVESTMENTS, JANUARY 1</b>	2,909	2,909	2,421	2,421	11,386	11,386	6,262	6,262
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 3,409	\$ 2,421	\$ 1,971	\$ 2,731	\$ 3,465	\$ 6,262	\$ 6,322	\$ 7,396

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDER'S TECH FUND				SPECIAL ELECTIONS FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	2,500	938	900	930	23,599	8,941	42,291	24,354
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 2,500	\$ 938	\$ 900	\$ 930	\$ 23,599	\$ 8,941	\$ 42,291	\$ 24,354
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	1,500	-	1,500	-	18,339	6,501	33,441	17,920
Services and other	-	-	-	-	5,260	2,440	8,850	6,434
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 1,500	\$ -	\$ 1,500	\$ -	\$ 23,599	\$ 8,941	\$ 42,291	\$ 24,354
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 1,000	\$ 938	\$ (600)	\$ 930	\$ -	\$ -	\$ -	\$ -
CASH AND INVESTMENTS, JANUARY 1	2,161	2,161	3,099	3,099	-	-	-	-
CASH AND INVESTMENTS, DECEMBER 31	\$ 3,161	\$ 3,099	\$ 2,499	\$ 4,029	\$ -	\$ -	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	SENIOR CITIZEN FUND			DOMESTIC VIOLENCE FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021		2022	2021		2022
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ 44,500	\$ 33,500	\$ 63,000	\$ 70,802	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	70	9	60	17	-	-
Charges for services	-	-	-	-	200	160
Interest	10	12	12	10	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 44,580	\$ 33,521	\$ 63,072	\$ 70,829	\$ 170	\$ 160
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	44,580	33,521	63,072	70,829	200	160
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 44,580	\$ 33,521	\$ 63,072	\$ 70,829	\$ 170	\$ 160
RECEIPTS OVER (UNDER)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISBURSEMENTS	-	-	-	-	-	-
CASH AND INVESTMENTS, JANUARY 1	-	-	-	-	-	-
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	COLLECTOR'S TAX MAINTENANCE FUND			SHERIFF REVOLVING FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	8,000	7,248	8,000	6,967	6,200	977
Interest	200	105	200	48	55	31
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 8,200	\$ 7,353	\$ 8,200	\$ 7,015	\$ 6,066	\$ 1,008
<b>DISBURSEMENTS</b>						
Salaries	\$ 6,000	\$ 6,000	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	9,000	3,238	12,800	3,653	1,514	-
Services and other	1,500	-	1,500	250	597	5
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 16,500	\$ 9,238	\$ 14,300	\$ 3,903	\$ 2,111	\$ -
<b>RECEIPTS OVER (UNDER)</b>	\$ (8,300)	\$ (1,885)	\$ (6,100)	\$ 3,112	\$ 3,955	\$ 1,003
<b>DISBURSEMENTS</b>						
CASH AND INVESTMENTS, JANUARY 1	15,740	15,740	13,855	13,855	6,175	10,130
CASH AND INVESTMENTS, DECEMBER 31	\$ 7,440	\$ 13,855	\$ 7,755	\$ 16,967	\$ 10,130	\$ 11,133

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	CONFINED ANIMAL FEEDING OPERATION (CAFO) FUND				LAW ENFORCEMENT RESTITUTION FUND			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	250	-	250	-	3,500	3,101	2,500	4,210
Interest	50	32	40	16	15	18	20	15
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 300	\$ 32	\$ 290	\$ 16	\$ 3,515	\$ 3,119	\$ 2,520	\$ 4,225
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	1,000	-	1,000	-	-	-	1,000	-
Capital outlay	-	-	-	-	2,000	-	4,000	3,668
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 2,000	\$ -	\$ 5,000	\$ 3,668
RECEIPTS OVER (UNDER)	\$ (700)	\$ 32	\$ (710)	\$ 16	\$ 1,515	\$ 3,119	\$ (2,480)	\$ 557
DISBURSEMENTS								
CASH AND INVESTMENTS, JANUARY 1	5,464	5,464	5,496	5,496	2,267	2,267	5,386	5,386
CASH AND INVESTMENTS, DECEMBER 31	\$ 4,764	\$ 5,496	\$ 4,786	\$ 5,512	\$ 3,782	\$ 5,386	\$ 2,906	\$ 5,943

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	COLLECTOR'S RESTITUTION FUND				MODEX FUND			
	Year Ended December 31,		2022		2021		Year Ended December 31,	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	1,950	3,014	1,800	1,600	13,500	12,680	9,200	7,554
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 1,950	\$ 3,014	\$ 1,800	\$ 1,600	\$ 13,500	\$ 12,680	\$ 9,200	\$ 7,554
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	1,950	3,014	1,800	-	10,000	4,730	15,000	6,418
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 1,950	\$ 3,014	\$ 1,800	\$ -	\$ 10,000	\$ 4,730	\$ 15,000	\$ 6,418
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ 1,600	\$ 3,500	\$ 7,950	\$ (5,800)	\$ 1,136
CASH AND INVESTMENTS, JANUARY 1	-	-	-	-	18,937	18,937	26,887	26,887
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ 1,600	\$ 22,437	\$ 26,887	\$ 21,087	\$ 28,023

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	COUNTY IMPROVEMENT CORPORATION FUND				DRUG/ALCOHOL EDUCATION TRAINING FUND			
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	1,759	1,759	-	-	2,000	1,882	1,500	395
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 1,759	\$ 1,759	\$ -	\$ -	\$ 2,000	\$ 1,882	\$ 1,500	\$ 395
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	2,000	420	2,500	-
Services and other	2,959	2,959	-	-	500	-	500	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 2,959	\$ 2,959	\$ -	\$ -	\$ 2,500	\$ 420	\$ 3,000	\$ -
RECEIPTS OVER (UNDER)	\$ (1,200)	\$ (1,200)	\$ -	\$ -	\$ (500)	\$ 1,462	\$ (1,500)	\$ 395
DISBURSEMENTS								
CASH AND INVESTMENTS, JANUARY 1	1,200	1,200	-	-	4,615	4,615	6,077	6,077
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ -	\$ 4,115	\$ 6,077	\$ 4,577	\$ 6,472

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCHUYLER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	ARPA FUND			
	Year Ended December 31,			
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Intergovernmental	452,575	452,575	-	452,575
Charges for services	-	-	-	-
Interest	1,700	1,571	3,000	1,711
Other	-	-	-	-
Transfers in	-	-	-	-
Total Receipts	<u>\$ 454,275</u>	<u>\$ 454,146</u>	<u>\$ 3,000</u>	<u>\$ 454,286</u>
DISBURSEMENTS				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-
Materials and supplies	-	-	-	-
Services and other	454,275	-	457,146	159,059
Capital outlay	-	-	-	-
Construction	-	-	-	-
Transfers out	-	-	-	169,469
Total Disbursements	<u>\$ 454,275</u>	<u>\$ -</u>	<u>\$ 457,146</u>	<u>\$ 328,528</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ 454,146	\$ (454,146)	\$ 125,758
CASH AND INVESTMENTS, JANUARY 1	<u>-</u>	<u>-</u>	<u>454,146</u>	<u>454,146</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ -</u></u>	<u><u>\$ 454,146</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 579,904</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



SCHUYLER COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund/Account	Cash and Cash Equivalents January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Cash Equivalents December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Cash Equivalents December 31, 2022
Treasurer Fines	\$ -	\$ 38,253	\$ 35,120	\$ 3,133	\$ 41,779	\$ 44,912	\$ -
Treasurer CERF	-	90,859	90,859	-	85,860	85,860	-
Treasurer Deputy Sheriff Salary Supplemental	-	1,230	1,230	-	1,525	1,525	-
Treasurer Unclaimed Fees	2,050	-	-	2,050	-	-	2,050
Treasurer Surplus Land	316	2	-	318	1	-	319
Treasurer Financial Institution Tax	1,429	2,661	1,502	2,588	2,584	2,606	2,566
Treasurer Library	-	93,297	93,297	-	182,522	182,522	-
Treasurer Nursing Home	-	93,733	93,733	-	199,104	199,104	-
Treasurer Ambulance	-	149,059	149,059	-	483,892	483,892	-
Treasurer Health Department	-	185,653	185,653	-	361,127	361,127	-
Treasurer Schools Tax	-	2,399,061	2,399,061	-	4,251,247	4,251,247	-
Treasurer Schools Bond	-	542,567	542,567	-	968,359	968,359	-
Treasurer Lancaster Fire	-	-	-	-	11,727	11,727	-
Collector Property Tax	2,167,134	5,170,061	4,771,957	2,565,238	9,288,870	8,468,706	3,385,402
Recorder	4,426	40,063	42,040	2,449	34,349	34,282	2,516
Sheriff General	55	97,501	95,328	2,228	44,557	44,481	2,304
Sheriff Credit Card	-	32,328	24,228	8,100	57,299	61,059	4,340
Public Administrator	297,412	156,160	128,892	324,680	112,635	250,663	186,652
Total	<u>\$ 2,472,822</u>	<u>\$ 9,092,488</u>	<u>\$ 8,654,526</u>	<u>\$ 2,910,784</u>	<u>\$ 16,127,437</u>	<u>\$ 15,452,072</u>	<u>\$ 3,586,149</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

SCHUYLER COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Schuyler County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are ten elected Constitutional Officers: Assessor, Circuit Clerk, Collector, County Clerk, Coroner, Prosecuting Attorney, Public Administrator, Recorder, Sheriff and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Schuyler County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk (other than the portion that is funded by the General Revenue Fund) and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following funds:

	2022	2021
Special Road & Bridge	✓	✓
Law Enforcement Training	N/A	✓
Prosecuting Attorney Training	N/A	✓
Law Sales	✓	N/A
Senior Citizen	✓	N/A
Collector's Restitution	N/A	✓

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in October and November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property included within the County's boundaries for calendar years 2022 and 2021 for purposes of taxation were:

	2022	2021
Real Estate	\$ 90,040,599	\$ 88,558,807
Personal Property	20,963,263	18,727,611
Railroad and Utilities	16,700,221	16,282,714
Total	<u>\$ 127,704,083</u>	<u>\$ 123,569,132</u>

For calendar years 2022 and 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022	2021
General Revenue	\$ 0.3852	\$ 0.3685
Special Road & Bridge	0.2600	0.2600
Common Road District	0.4704	0.4704
Senior Citizen	0.0490	0.0490

The Common Road District levy is included in the Property Tax receipts of the Special Road & Bridge Fund.

#### F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of

deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

## G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Cash includes deposits and short-term investments with maturities that are less than ninety days. Investments consist of certificates of deposit with maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 1,308,621	\$ 1,352,327	\$ 250,000
Investments	213,912	213,912	213,912
Total Governmental Funds	<u>\$ 1,522,533</u>	<u>\$ 1,566,239</u>	<u>\$ 463,912</u>
Cash and Cash Equivalents - Fiduciary Funds	<u>\$ 3,586,149</u>	<u>\$ 3,301,444</u>	<u>\$ 445,336</u>

At December 31, 2021, the County had the following cash and cash equivalent and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 950,495	\$ 992,119	\$ 250,000
Investments	213,618	213,618	213,618
Total Governmental Funds	<u>\$ 1,164,113</u>	<u>\$ 1,205,737</u>	<u>\$ 463,618</u>
Cash and Cash Equivalents - Fiduciary Funds	<u>\$ 2,910,784</u>	<u>\$ 2,826,999</u>	<u>\$ 588,229</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 and 2021 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

### 3. COUNTY EMPLOYEES' RETIREMENT PLANS

#### A. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

##### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

##### 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

##### 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002. The County has elected not to make contributions on behalf of employees. During 2022 and 2021, the County collected and remitted to CERF employee withholdings and fees

collected of \$90,859 and \$85,860, respectively, for the years then ended.

#### B. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$3,336 and \$3,366, respectively, for the years ended December 31, 2022 and 2021.

### 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

### 5. CLAIMS, COMMITMENT AND CONTINGENCIES

#### A. Compensated Absences

After one full year of employment, vacation time will accrue at one week per year. After three full years of employment, vacation time will accrue at two weeks per year. All vacation time must be taken in the year it is earned. A terminated employee is entitled to receive a pro-rated payment of unused vacation time. Full-time hourly employees receive six sick/personal days after their 90 day probationary period, up to a maximum of 12 days. Any days over the 12 days will be paid out at the end of the year.

#### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

### 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.



## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2022:

- A. On February 1, 2016, the County entered into a promissory note for the purchases of 911 signs with the U.S. Department of Agriculture for the amount of \$13,500 with annual payments of \$2,959 starting in February 2017, with an interest rate of 3.125% for a term of 5 years. The final payment was made in February 2021.
- B. On March 18, 2016, the County entered into a capital lease for a 2008 John Deere Excavator for the amount of \$49,674 with annual payments of \$11,263 starting March 18, 2017, with an interest rate of 4.25% for a term of 5 years. The final payment was made in February 2021.
- C. On August 15, 2016, the County entered into a capital lease for a 2016 Caterpillar Motor Grader for the amount of \$190,483 with annual payments of \$30,804 starting in August 2016, with an interest rate of 3.20% for a term of 7 years. The final payment was made early in July 2022.
- D. On February 23, 2018, the County entered into a capital lease for a 2018 John Deere Motor Grader for the amount of \$198,000 with annual payments of \$37,862 starting in February 2019, with an interest rate of 4.00% for a term of 6 years.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 34,956	\$ 2,906	\$ 37,862
2024	36,380	1,482	37,862
Total	<u>\$ 71,336</u>	<u>\$ 4,388</u>	<u>\$ 75,724</u>

- E. On March 15, 2021, the County entered into a capital lease for a 2021 Caterpillar Motor Grader for the amount of \$229,994 with annual payments of \$50,206 starting in April 2022, with an interest rate of 2.99% for a term of 5 years.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 44,559	\$ 5,647	\$ 50,206
2024	45,891	4,315	50,206
2025	47,263	2,943	50,206
2026	48,603	1,603	50,206
Total	<u>\$ 186,316</u>	<u>\$ 14,508</u>	<u>\$ 200,824</u>

- F. On June 27, 2022, the County entered into a capital lease for a 2022 Caterpillar Motor Grader for the amount of \$200,900 with annual payments of \$57,236 starting in June 2023, with an interest rate of 5.44% for a term of 4 years.



Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 46,307	\$ 10,929	\$ 57,236
2024	48,827	8,409	57,236
2025	51,483	5,753	57,236
2026	54,283	2,953	57,236
Total	<u>\$ 200,900</u>	<u>\$ 28,044</u>	<u>\$ 228,944</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
2016 Caterpillar Motor Grader	\$ 58,774	\$ -	\$ (58,774)	\$ -	\$ 2,158
2018 John Deere Motor Grader	104,923	-	(33,587)	71,336	4,275
2021 Caterpillar Motor Grader	229,994	-	(43,678)	186,316	6,528
2022 Caterpillar Motor Grader	-	200,900	-	200,900	-

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

Description	Balance 12/31/2020	Additions	Payments	Balance 12/31/2021	Interest Paid
911 Signs	\$ 2,866	\$ -	\$ (2,866)	\$ -	\$ 93
2008 John Deere Excavator	10,796	-	(10,796)	-	467
2016 Caterpillar Motor Grader	86,801	-	(28,027)	58,774	2,778
2018 John Deere Motor Grader	137,196	-	(32,273)	104,923	5,589
2021 Caterpillar Motor Grader	-	229,994	-	229,994	-

## 8. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through November 14, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the County Commission and  
Officeholders of Schuyler County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Schuyler County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2021 and 2022, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Schuyler County, Missouri's basic financial statements and have issued our report thereon dated November 14, 2023.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Schuyler County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Schuyler County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Schuyler County, Missouri's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Schuyler County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
November 14, 2023

SCHUYLER COUNTY, MISSOURI  
FINDINGS AND RECOMMENDATIONS

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

None noted

**ITEMS OF NONCOMPLIANCE**

None noted

SCHUYLER COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

In accordance with the *Government Auditing Standards*, this section reports the follow-up on action taken by Schuyler County, Missouri on the applicable findings in the prior audit report issued for the years ended December 31, 2018 and 2017.

**2018-001:** The audit noted several transactions for which bidding would be expected to have been performed but for which no documentation of bidding was available.

Status: Resolved.

**2018-002:** The County has not adopted a formal investment policy as required by state statutes.

Status: The County drafted an investment policy in response to the prior audit finding, but it was not formally adopted. The County is in the process of formally adopting the policy.

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## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

November 14, 2023

To the County Commission and Officeholders  
Schuyler County, Missouri

We have audited the accompanying financial statements of Schuyler County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 14, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Schuyler County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021 and 2022. We noted no transactions entered into by Schuyler County, Missouri during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated July 19, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Schuyler County, Missouri's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Schuyler County, Missouri's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the year ended December 31, 2022 and 2021, we considered Schuyler County, Missouri's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our report on our consideration of internal control over financial reporting dated July 19, 2023. However, during our audit we became aware of matters that are opportunities for strengthening internal controls.



### **Collector Voided Receipts**

During our audit, we selected 40 days of deposits by the Collector during the two year audit period. As part of that testing, we reviewed daily collection reports from the Government system and ensured that the system generated receipt number were in sequential order and there were no missing receipt numbers. 7 out of the 40 days had missing receipt numbers, which the Collector indicated were because of voided transactions. For 5 of the 7 days, the Collector maintained documentation noting the voided receipt number and the reason for voiding the transaction. No documentation was able to be provided for voided transaction that occurred on March 8, 2021 and December 22, 2021. The Collector indicated that they began maintaining the documentation of the voids in November 2021 as a result of a State Auditor's Office recommendation. We recommend that the Collector continue to ensure that documentation is maintained to support voided receipts in accordance with their newly developed practices.

### **Investment Policy**

The County has not adopted a formal investment policy in accordance with state statutes. Section 30.950, RSMo requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. The County indicated that an investment policy was drafted as a result of the recommendation in our 2017-2018 audit report, however, it was never formally adopted. We recommend that the County formally adopt the policy to comply with state statutes.

#### **Restriction on Use**

This information is intended solely for the information and use of the County Commission and management of Schuyler County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Clinton County, Missouri

The Office of the State Auditor contracted for an audit of Clinton County's financial statements for the 2 years ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by CR Williams & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

December 2023  
Report No. 2023-087

CLINTON COUNTY, MISSOURI  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

PREPARED BY:  
CRWilliams & Associates LLC Certified Public Accountants  
1257 N. Hornsby  
St. Louis, MO 63147  
(219)-944-1615 (ofc)/(866)-834-4294 (fax)  
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CLINTON COUNTY, MISSOURI  
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## **INTRODUCTORY SECTION**

CLINTON COUNTY, MISSOURI  
List of Elected Officials 2020-2021

*County Commission*

Presiding Commissioner	Patrick Clark
Commissioner 1 <sup>st</sup> District	Gary McCrea (2020) Jay Bettis (2021)
Commissioner 2 <sup>nd</sup> District	Larry King (2020) Richard Riddell (2021)

*Other Elected Officials*

Assessor	Cindy Carter
Circuit Clerk, Recorder of Deeds	Susan Davis
Collector	Michele Wells
County Clerk	David Woody
Prosecuting Attorney	Brandi McClain
Public Administrator	Nancy Wingate
Sheriff	Larry Fish
Treasurer	Rita Terwilleger

## **FINANCIAL SECTION**

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1257 Hornsby \* St. Louis, Missouri 63147

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## INDEPENDENT AUDITOR'S REPORT

To the County Commission and  
Officeholders of Clinton County, Missouri

### **Unmodified and Adverse Opinion**

We have audited the accompanying financial statements of the Clinton County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis as of December 31, 2021 and 2020, and the related Comparative Statement of Receipts, Disbursements and Changes in Cash – Budget and Actual Regulatory Basis for the years then ended, Statements of Assets and Liabilities Arising From Cash Transactions – Agency Funds- Regulatory Basis as of December 31, 2021 and 2020 and the related notes to the financial statements.

### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the Statements of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual Regulatory Basis, and Statements of Assets and Liabilities Arising From Cash Transactions – Agency Funds- Regulatory Basis as of December 31, 2021 and 2020 in accordance with the financial reporting provisions of Missouri Law described in Note 1.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2021, and 2020, or changes in net position and cash flows thereof for the years then ended.

### **Basis for Unmodified and Adverse Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clinton County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## INDEPENDENT AUDITOR'S REPORT-continued

### *Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Missouri Law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Clinton County, Missouri's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

## INDEPENDENT AUDITOR'S REPORT-continued

### **Auditor's Responsibilities for the Audit of Financial Statements-Continued**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clinton County, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clinton County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

## INDEPENDENT AUDITOR'S REPORT-continued

### **Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated October 30, 2023, on our consideration of Clinton County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of Laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Clinton County, Missouri's internal control over financial reporting or in compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clinton County, Missouri's internal control over financial reporting and compliance.

*CRWilliams & Associates LLC*

St. Louis, Missouri

October 30, 2023

## **BASIC FINANCIAL STATEMENTS**

CLINTON COUNTY MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
DECEMBER 31, 2021 and 2020

FUND	Cash and Investments January 1, 2020	Receipts 2020	Disbursements 2020	Cash and Investments December 31, 2020	Receipts 2021	Disbursements 2021	Cash and Investments December 31, 2021
General Revenue Fund	\$ 265,280	\$ 2,962,840	\$ 2,908,270	\$ 319,850	\$ 3,725,229	\$ 3,182,827	\$ 862,252
Special Road & Bridge Fund	208,148	2,170,105	2,111,351	266,902	2,297,912	1,932,182	632,632
Assessment Fund	1,213,182	393,507	405,655	1,201,034	413,514	364,454	1,250,094
Capital Improvement Fund	633,440	733,700	468,005	899,135	1,141,568	764,181	1,276,522
Law Enforcement Training Fund	9,659	6,199	8,596	7,262	3,635	4	10,893
P.O.S.T. Fund	2	1,354	1,356	-	1,804	1,804	-
Sheriff's Civil Fees Fund	15,690	46,599	50,811	11,478	39,482	35,284	15,676
Sheriff's Revolving Fund	10,023	18,706	18,543	10,186	23,039	30,670	2,555
Sheriff's Supplemental Grant Fund	1,494	55,997	59,628	(2,137)	61,081	54,678	4,266
Inmate Prisoner Debt Fund	3,071	35,241	34,111	4,201	55,395	41,330	18,266
Prosecuting Attorney Training Fund	6,230	4,157	-	10,387	4,584	10	14,961
Prosecuting Attorney Victim Advocate Fund	300	46,208	45,449	1,059	48,579	46,086	3,552
Prosecuting Attorney Administrative Handling Fund	4,737	1,561	3,669	2,629	2,323	2,342	2,610
Prosecuting Attorney Delinquent Tax Fund	3,056	24	3	3,077	19	4	3,092
Local Emergency Planning Commission Fund	6,065	3,442	2,156	7,351	2,687	3,246	6,792
Law Enforcement Restitution Fund	12,033	3,815	8,675	7,173	5,523	188	12,508
Tax Maintenance Fund	67,112	46,302	17,817	95,597	48,746	43,112	101,231
Election Service Fund	3,480	5,280	979	7,781	7,376	7,027	8,130
Emergency Management Fund	84,970	348,805	189,592	244,183	186,292	152,216	278,259
Health Reimbursement Fund	35,126	616,266	855,913	(204,521)	283,205	78,684	-
Investigative Squad Fund	-	53,262	53,262	-	51,116	60,163	(9,047)
Asset Forfeiture Fund	2,346	16	929	1,433	8	1,441	-
COVID-19 Relief Fund	-	2,399,209	379,865	2,019,344	2,922	2,022,266	-
Senate Bill 40 Fund	606,956	511,967	262,431	856,492	544,800	215,818	1,185,474
American Rescue Plan Act Fund	-	-	-	-	1,984,475	-	1,984,475
Recorder User Tax Fund	7,410	15,923	4,003	19,330	25,121	5	44,446
General Purpose Law Enforcement Fund	7,515	552	2,789	5,278	5,442	3,546	7,174
TOTAL	\$ 3,207,325	\$ 10,481,037	\$ 7,893,858	\$ 5,794,504	\$ 10,965,877	\$ 9,043,568	\$ 7,716,813

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH – BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

GENERAL REVENUE FUND Year Ended December 31,				
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Property taxes	\$ 745,000	\$ 745,749	\$ 736,000	\$ 697,584
Sales taxes	1,067,400	1,052,719	841,800	986,416
Intergovernmental	660,192	416,542	487,383	467,316
Charges for services	645,000	625,249	462,524	615,134
Interest	5,000	5,509	3,800	5,191
Other	725,193	756,261	88,580	68,443
Transfers in	172,282	123,200	95,000	122,756
Total Receipts	4,020,067	3,725,229	2,715,087	2,962,840
DISBURSEMENTS				
County commission	93,172	95,360	93,372	95,423
County clerk	86,200	77,645	87,300	75,257
Elections	35,527	29,733	71,705	67,853
Buildings and grounds	177,687	149,921	169,200	172,670
Employee fringe benefits	523,486	501,714	400,000	416,370
County treasurer	57,361	57,259	56,290	54,467
County collector	97,810	77,201	89,000	90,370
Recorder of deeds	36,829	52,143	36,019	35,315
Circuit clerk	24,200	1,695	26,790	17,062
Court administration	15,250	36	15,250	2,050
Public administrator	57,200	54,445	60,647	54,815
Sheriff	891,844	941,431	805,500	752,956
Jail	274,500	216,431	228,700	227,069
Prosecuting agency	122,884	117,845	128,434	113,541
Juvenile officer	71,377	66,952	69,511	54,433
County coroner	63,776	69,168	51,056	56,402
Transfers out	86,146	81,146	81,585	346,865
Other	618,229	592,702	271,798	275,352
Total Disbursements	3,333,478	3,182,827	2,742,157	2,908,270
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	686,589	542,402	(27,070)	54,570
CASH AND INVESTMENTS, JANUARY 1	319,850	319,850	265,280	265,280
CASH AND INVESTMENTS, DECEMBER 31	\$ 1,006,439	\$ 862,252	\$ 238,210	\$ 319,850

CLINTON COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH – BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS

YEARS ENDED 2021 AND 2020

	SPECIAL ROAD & BRIDGE FUND			
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Property taxes	\$ 1,136,112	\$ 1,164,771	\$ 1,210,245	\$ 1,126,012
Sales taxes	-	165,920	-	144,729
Intergovernmental	940,523	844,178	945,570	792,256
Charges for services	1,300	-	-	-
Interest	4,000	6,198	3,000	5,671
Other	86,200	116,845	15,000	101,437
Total Receipts	<u>2,168,135</u>	<u>2,297,912</u>	<u>2,173,815</u>	<u>2,170,105</u>
DISBURSEMENTS				
Salaries	495,000	455,256	1,210,245	451,614
Employee fringe benefits	197,948	207,465	-	179,160
Materials and supplies	916,100	798,224	945,570	878,765
Services and other	270,200	226,929	-	265,932
Capital outlay	244,240	155,994	3,000	236,458
Construction	-	-	15,000	-
Transfers out	104,475	88,314	-	99,422
Total Disbursements	<u>2,227,963</u>	<u>1,932,182</u>	<u>2,173,815</u>	<u>2,111,351</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	(59,828)	365,730	-	58,754
CASH AND INVESTMENTS, JANUARY 1				
	<u>266,902</u>	<u>266,902</u>	<u>208,148</u>	<u>208,148</u>
CASH AND INVESTMENTS, DECEMBER 31				
	<u>\$ 207,074</u>	<u>\$ 632,632</u>	<u>\$ 208,148</u>	<u>\$ 266,902</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

	ASSESSMENT FUND		
	Year Ended December 31,		
	2021	2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u> <u>Actual</u>
RECEIPTS			
Intergovernmental	\$ 377,300	\$ 378,130	\$ 368,500 \$ 382,682
Interest	6,000	8,065	6,000 10,793
Other	50	27,319	150 32
Total Receipts	<u>383,350</u>	<u>413,514</u>	<u>374,650</u> <u>393,507</u>
DISBURSEMENTS			
Salaries	147,377	125,117	144,754 126,980
Employee fringe benefits	82,550	58,086	60,900 47,089
Materials and supplies	19,900	17,256	18,900 3,984
Services and other	153,700	122,925	217,603 214,550
Capital outlay	25,000	41,070	25,000 13,052
Total Disbursements	<u>428,527</u>	<u>364,454</u>	<u>467,157</u> <u>405,655</u>
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	(45,177)	49,060	(92,507) (12,148)
CASH AND INVESTMENTS, JANUARY 1	<u>1,201,034</u>	<u>1,201,034</u>	<u>1,213,182</u> <u>1,213,182</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 1,155,857</u>	<u>\$ 1,250,094</u>	<u>\$ 1,120,675</u> <u>\$ 1,201,034</u>



CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

	CAPITAL IMPROVEMENT FUND		
	Year Ended December 31,		
	2021		2020
	<u>Budget</u>	<u>Actual</u>	
RECEIPTS			
Sales taxes	\$ 716,972	\$ 717,043	\$ 672,411
Intergovernmental	418,288	418,288	392,000
Interest	5,595	6,237	20,000
Total Receipts	<u>1,140,855</u>	<u>1,141,568</u>	<u>1,084,411</u>
			<u>733,700</u>
DISBURSEMENTS			
Materials and supplies	100,000	-	110,000
Services and other	300,590	294,489	320,000
Capital outlay	700,000	69,035	500,000
Construction	455,000	365,772	152,500
Transfers out	-	34,885	-
Total Disbursements	<u>1,555,590</u>	<u>764,181</u>	<u>1,082,500</u>
			<u>468,005</u>
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	(414,735)	377,387	1,911
			265,695
CASH AND INVESTMENTS, JANUARY 1	<u>877,135</u>	<u>899,135</u>	<u>633,440</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 462,400</u>	<u>\$ 1,276,522</u>	<u>\$ 635,351</u>
			<u>\$ 899,135</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		LAW ENFORCEMENT TRAINING FUND			
		Year Ended December 31,			
		2021		2020	
		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS					
Charges for services		\$ 3,000	\$ 3,580	\$ 3,000	\$ 3,262
Interest		65	55	3	77
Other		-	-	-	2,860
Total Receipts		<u>3,065</u>	<u>3,635</u>	<u>3,003</u>	<u>6,199</u>
DISBURSEMENTS					
Services and other		<u>1,501</u>	<u>4</u>	<u>12,000</u>	<u>8,596</u>
Total Disbursements		<u>1,501</u>	<u>4</u>	<u>12,000</u>	<u>8,596</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS		1,564	3,631	(8,997)	(2,397)
CASH AND INVESTMENTS, JANUARY 1		<u>7,262</u>	<u>7,262</u>	<u>9,659</u>	<u>9,659</u>
CASH AND INVESTMENTS, DECEMBER 31		<u>\$ 8,826</u>	<u>\$ 10,893</u>	<u>\$ 662</u>	<u>\$ 7,262</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		P.O.S.T. FUND			
		Year Ended December 31,			
		2021		2020	
		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS					
	Intergovernmental	\$ 1,810	\$ 1,804	\$ 1,500	\$ 1,354
	Interest	-	-	1	-
	Total Receipts	<u>1,810</u>	<u>1,804</u>	<u>1,501</u>	<u>1,354</u>
DISBURSEMENTS					
	Services and other	1,804	1,804	1,501	1,356
	Total Disbursements	<u>1,804</u>	<u>1,804</u>	<u>1,501</u>	<u>1,356</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS		6	-	-	(2)
CASH AND INVESTMENTS, JANUARY 1		-	-	2	2
CASH AND INVESTMENTS, DECEMBER 31		<u>6</u>	<u>-</u>	<u>2</u>	<u>-</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH – BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		SHERIFF'S CIVIL FEES FUND	
		Year Ended December 31,	
		2021	2020
		<u>Budget</u>	<u>Actual</u>
RECEIPTS			
Charges for services			
Interest	\$ 33,000	\$ 28,680	\$ 46,506
Other	85	52	93
	22,000	10,750	-
Total Receipts	55,085	39,482	46,599
DISBURSEMENTS			
Services and other	50,000	35,284	50,811
Total Disbursements	50,000	35,284	50,811
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	5,085	4,198	(4,212)
CASH AND INVESTMENTS, JANUARY 1	11,478	11,478	15,690
CASH AND INVESTMENTS, DECEMBER 31	\$ 16,563	\$ 15,676	\$ 11,478

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH –BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		SHERIFF'S REVOLVING FUND		Year Ended December 31,	
		2021		2020	
		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS					
Charges for services	\$	20,000	\$ 21,222	\$ 9,000	\$ 17,210
Interest		70	29	8	78
Other		1,300	1,788	1,300	1,418
Transfers in		-	-	-	-
Total Receipts		<u>21,370</u>	<u>23,039</u>	<u>10,308</u>	<u>18,706</u>
DISBURSEMENTS					
Services and other		30,000	30,670	20,331	18,543
Total Disbursements		<u>30,000</u>	<u>30,670</u>	<u>20,331</u>	<u>18,543</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS		(8,630)	(7,631)	(10,023)	163
CASH AND INVESTMENTS, JANUARY 1		<u>10,186</u>	<u>10,186</u>	<u>10,023</u>	<u>10,023</u>
CASH AND INVESTMENTS, DECEMBER 31	\$	<u>1,556</u>	<u>\$ 2,555</u>	<u>-</u>	<u>\$ 10,186</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

SHERIFF'S SUPPLEMENTAL GRANT FUND				
Year Ended December 31,				
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Intergovernmental	\$ 70,000	\$ 61,081	\$ 63,000	\$ 55,997
Other	-	-	-	-
Total Receipts	<u>70,000</u>	<u>61,081</u>	<u>63,000</u>	<u>55,997</u>
DISBURSEMENTS				
Salaries	57,000	48,902	56,490	53,021
Employee fringe benefits	10,000	5,776	8,000	6,607
Total Disbursements	<u>67,000</u>	<u>54,678</u>	<u>64,490</u>	<u>59,628</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	3,000	6,403	(1,490)	(3,631)
CASH AND INVESTMENTS, JANUARY 1	<u>(2,137)</u>	<u>(2,137)</u>	<u>1,494</u>	<u>1,494</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 863</u>	<u>\$ 4,266</u>	<u>\$ 4</u>	<u>\$ (2,137)</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

INMATE PRISONER DEBT FUND				
Year Ended December 31,				
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Charges for services	\$ 27,000	\$ 28,632	\$ 14,000	\$ 13,892
Interest	50	68	70	57
Other	30,000	26,695	12,000	21,292
Total Receipts	57,050	55,395	26,070	35,241
DISBURSEMENTS				
Services and other	50,000	41,330	29,040	34,111
Total Disbursements	50,000	41,330	29,040	34,111
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	7,050	14,065	(2,970)	1,130
CASH AND INVESTMENTS, JANUARY 1	4,201	4,201	3,071	3,071
CASH AND INVESTMENTS, DECEMBER 31	\$ 11,251	\$ 18,266	\$ 101	\$ 4,201

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

PROSECUTING ATTORNEY TRAINING FUND				
Year Ended December 31,				
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Charges for services	\$ 3,000	\$ 4,508	\$ 1,000	\$ 4,095
Interest	50	76	25	62
Total Receipts	<u>3,050</u>	<u>4,584</u>	<u>1,025</u>	<u>4,157</u>
DISBURSEMENTS				
Services and other	5,000	10	5,000	-
Total Disbursements	<u>5,000</u>	<u>10</u>	<u>5,000</u>	<u>-</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	(1,950)	4,574	(3,975)	4,157
CASH AND INVESTMENTS, JANUARY 1	<u>10,387</u>	<u>10,387</u>	<u>6,230</u>	<u>6,230</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 8,437</u>	<u>\$ 14,961</u>	<u>\$ 2,255</u>	<u>\$ 10,387</u>



CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH –BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

PROSECUTING ATTORNEY VICTIM ADVOCATE FUND				
Year Ended December 31,				
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Intergovernmental	\$ 46,800	\$ 48,579	\$ 46,474	\$ 46,208
Interest	-	-	30	-
Other	-	-	-	-
Total Receipts	<u>46,800</u>	<u>48,579</u>	<u>46,504</u>	<u>46,208</u>
DISBURSEMENTS				
Salaries	32,960	32,104	32,960	33,563
Employee fringe benefits	12,590	12,408	12,590	11,886
Materials and supplies	750	1,574	750	-
Services and other	500	-	500	-
Total Disbursements	<u>46,800</u>	<u>46,086</u>	<u>46,800</u>	<u>45,449</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	-	2,493	(296)	759
CASH AND INVESTMENTS, JANUARY 1	<u>1,059</u>	<u>1,059</u>	<u>300</u>	<u>300</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 1,059</u>	<u>\$ 3,552</u>	<u>\$ 4</u>	<u>\$ 1,059</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

PROSECUTING ATTORNEY ADMINISTRATIVE HANDLING FUND					
Year Ended December 31,					
	2021		2020		
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	
RECEIPTS					
Interest	21	11	21	19	
Other	6,000	2,312	3,000	1,542	
Total Receipts	<u>6,021</u>	<u>2,323</u>	<u>3,021</u>	<u>1,561</u>	
DISBURSEMENTS					
Services and other	4,000	2,342	4,000	3,669	
Total Disbursements	<u>4,000</u>	<u>2,342</u>	<u>4,000</u>	<u>3,669</u>	
RECEIPTS OVER (UNDER)					
DISBURSEMENTS	2,021	(19)	(979)	(2,108)	
CASH AND INVESTMENTS, JANUARY 1	<u>2,629</u>	<u>2,629</u>	<u>4,737</u>	<u>4,737</u>	
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 4,650</u>	<u>\$ 2,610</u>	<u>\$ 3,758</u>	<u>\$ 2,629</u>	

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		PROSECUTING ATTORNEY DELINQUENT TAX FUND			
		Year Ended December 31,			
		2021		2020	
		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS					
Interest		\$ -	\$ 19	\$ 15	\$ 24
Total Receipts		<u>-</u>	<u>19</u>	<u>15</u>	<u>24</u>
DISBURSEMENTS					
Services and other	5		4	-	-
Capital outlay	-		-	-	3
Total Disbursements	<u>5</u>		<u>4</u>	<u>-</u>	<u>3</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS	(5)		15	15	21
CASH AND INVESTMENTS, JANUARY 1		<u>3,077</u>	<u>3,077</u>	<u>3,056</u>	<u>3,056</u>
CASH AND INVESTMENTS, DECEMBER 31		<u>\$ 3,072</u>	<u>\$ 3,092</u>	<u>\$ 3,071</u>	<u>\$ 3,077</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

LOCAL EMERGENCY PLANNING COMMISSION FUND				
Year Ended December 31,				
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Intergovernmental	\$ 3,000	\$ 2,647	\$ 3,300	\$ 3,393
Interest	50	40	200	49
Total Receipts	<u>3,050</u>	<u>2,687</u>	<u>3,500</u>	<u>3,442</u>
DISBURSEMENTS				
Services and other	3,100	3,246	3,100	2,156
Total Disbursements	<u>3,100</u>	<u>3,246</u>	<u>3,100</u>	<u>2,156</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	(50)	(559)	400	1,286
CASH AND INVESTMENTS, JANUARY 1	<u>7,351</u>	<u>7,351</u>	<u>6,065</u>	<u>6,065</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 7,301</u>	<u>\$ 6,792</u>	<u>\$ 6,465</u>	<u>\$ 7,351</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH –BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

LAW ENFORCEMENT RESTITUTION FUND				
Year Ended December 31,				
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Charges for services	\$ -	\$ 5,462	\$ -	\$ 3,751
Interest	-	61	70	64
Other	-	-	6,000	-
Total Receipts	-	5,523	6,070	3,815
DISBURSEMENTS				
Services and other	6,000	188	14,000	8,675
Total Disbursements	6,000	188	14,000	8,675
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	(6,000)	5,335	(7,930)	(4,860)
CASH AND INVESTMENTS, JANUARY 1	7,173	7,173	12,033	12,033
CASH AND INVESTMENTS, DECEMBER 31	\$ 1,173	\$ 12,508	\$ 4,103	\$ 7,173

CLINTON COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH – BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

	TAX MAINTENANCE FUND			
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Charges for services	\$ -	\$ 48,746	\$ 38,000	\$ 45,742
Interest	-	-	275	560
Total Receipts	-	48,746	38,275	46,302
DISBURSEMENTS				
Services and other	48,000	43,112	55,000	17,817
Total Disbursements	48,000	43,112	55,000	17,817
RECEIPTS OVER (UNDER)	(48,000)	5,634	(16,725)	28,485
DISBURSEMENTS				
CASH AND INVESTMENTS, JANUARY 1	95,597	95,597	67,112	67,112
CASH AND INVESTMENTS, DECEMBER 31	\$ 47,597	\$ 101,231	\$ 50,387	\$ 95,597

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

	ELECTION SERVICE FUND			
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Charges for services	\$ -	\$ 7,311	\$ 4,500	\$ 5,244
Interest	-	65	60	36
Total Receipts	-	<u>7,376</u>	<u>4,560</u>	<u>5,280</u>
DISBURSEMENTS				
Services and other	-	-	-	3
Capital outlay	5,000	7,027	8,000	976
Total Disbursements	<u>5,000</u>	<u>7,027</u>	<u>8,000</u>	<u>979</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	(5,000)	349	(3,440)	4,301
CASH AND INVESTMENTS, JANUARY 1	<u>7,781</u>	<u>7,781</u>	<u>3,480</u>	<u>3,480</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 2,781</u>	<u>\$ 8,130</u>	<u>\$ 40</u>	<u>\$ 7,781</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		EMERGENCY MANAGEMENT FUND	
		Year Ended December 31,	
		2021	2020
		<u>Budget</u>	<u>Actual</u>
RECEIPTS			
Intergovernmental			
Interest	\$ 86,146	\$ -	\$ -
Other	1,000	1,466	1,940
Transfers in	-	103,680	-
Total Receipts	-	81,146	346,865
		<u>87,146</u>	<u>82,401</u>
			<u>348,805</u>
DISBURSEMENTS			
Services and other			
Total Disbursements	331,329	152,216	189,592
	<u>331,329</u>	<u>152,216</u>	<u>189,592</u>
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	(244,183)	34,076	159,213
CASH AND INVESTMENTS, JANUARY 1	<u>244,183</u>	<u>244,183</u>	<u>84,970</u>
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ 278,259	\$ 244,183



CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		HEALTH REIMBURSEMENT FUND			
		Year Ended December 31,			
		2021		2020	
		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS					
Intergovernmental		\$ 280,132	\$ 283,205	\$ -	\$ 616,266
Interest		-	-	30	-
Other		-	-	-	-
Transfers in		-	-	380,000	-
Total Receipts		<u>280,132</u>	<u>283,205</u>	<u>380,030</u>	<u>616,266</u>
DISBURSEMENTS					
Salaries		-	-	-	-
Employee fringe benefits		75,611	78,684	400,000	855,913
Materials and supplies		-	-	-	-
Services and other		-	-	-	-
Capital outlay		-	-	-	-
Construction		-	-	-	-
Transfers out		-	-	-	-
Total Disbursements		<u>75,611</u>	<u>78,684</u>	<u>400,000</u>	<u>855,913</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS		204,521	204,521	(19,970)	(239,647)
CASH AND INVESTMENTS, JANUARY 1		<u>(204,521)</u>	<u>(204,521)</u>	<u>35,126</u>	<u>35,126</u>
CASH AND INVESTMENTS, DECEMBER 31		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,156</u>	<u>\$ (204,521)</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		INVESTIGATIVE SQUAD FUND			
		Year Ended December 31,			
		2021		2020	
		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS					
	Intergovernmental	\$ 148,053	\$ 51,116	\$ -	\$ 53,262
	Total Receipts	<u>148,053</u>	<u>51,116</u>	<u>-</u>	<u>53,262</u>
DISBURSEMENTS					
	Salaries	106,665	41,349	-	53,086
	Employee fringe benefits	41,388	18,814	-	176
	Total Disbursements	<u>148,053</u>	<u>60,163</u>	<u>-</u>	<u>53,262</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS		-	(9,047)	-	-
CASH AND INVESTMENTS, JANUARY 1		-	-	-	-
CASH AND INVESTMENTS, DECEMBER 31		<u>-</u>	<u>(9,047)</u>	<u>-</u>	<u>-</u>

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

	ASSET FORFEITURE FUND Year Ended December 31,			
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Interest	10	\$ 8	-	\$ 16
Total Receipts	10	8	-	16
DISBURSEMENTS				
Services and other	1,443	1,441	-	929
Total Disbursements	1,443	1,441	-	929
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,433)	(1,433)	-	(913)
CASH AND INVESTMENTS, JANUARY 1	1,433	1,433	-	2,346
CASH AND INVESTMENTS, DECEMBER 31	-	\$ -	-	\$ 1,433

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

	COVID-19 RELIEF FUND			
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Interest	\$ -	\$ 2,922	\$ -	\$ 7,407
Intergovernmental	-	-	-	2,391,802
Total Receipts	-	2,922	-	2,399,209
DISBURSEMENTS				
Salaries	-	-	-	1,160
Materials and supplies	-	-	-	6,210
Services and other	-	2,022,266	-	372,495
Total Disbursements	-	2,022,266	-	379,865
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	-	(2,019,344)	-	2,019,344
CASH AND INVESTMENTS, JANUARY 1	-	2,019,344	-	-
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ 2,019,344

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

		SENATE BILL 40 FUND		Year Ended December 31,	
		2021		2020	
		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS					
Property taxes	\$	-	\$ 46,717	\$ -	\$ -
Sales taxes	-	-	-	-	-
Intergovernmental	-	-	257,841	-	208,544
Charges for services	-	-	237,833	-	290,773
Interest	-	-	2,283	-	6,339
Other	-	-	126	-	6,311
Transfers in	-	-	-	-	-
Total Receipts	-	-	544,800	-	511,967
DISBURSEMENTS					
Salaries	-	-	158,296	-	172,893
Employee fringe benefits	-	-	16,015	-	16,402
Materials and supplies	-	-	19,353	-	42,707
Services and other	-	-	22,154	-	30,429
Total Disbursements	-	-	215,818	-	262,431
RECEIPTS OVER (UNDER)					
DISBURSEMENTS	-	-	328,982	-	249,536
CASH AND INVESTMENTS, JANUARY 1	-	-	856,492	-	606,956
CASH AND INVESTMENTS, DECEMBER 31	\$	-	\$ 1,185,474	\$ -	\$ 856,492

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

	AMERICAN RESCUE PLAN ACT			
	Year Ended December 31,		2020	
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Intergovernmental	\$ -	\$ 1,979,968	\$ -	\$ -
Interest	-	4,507	-	-
Total Receipts	-	1,984,475	-	-
DISBURSEMENTS				
Salaries	-	-	-	-
Total Disbursements	-	-	-	-
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	-	1,984,475	-	-
CASH AND INVESTMENTS, JANUARY 1	-	-	-	-
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ 1,984,475	\$ -	\$ -

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

	RECORDER USER FEE Year Ended December 31,		
	2021		2020
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u> <u>Actual</u>
RECEIPTS			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	-	13,971	- 7,466
Interest	-	192	- 83
Other	-	10,958	- 8,374
Transfer in	-	-	- -
Total Receipts	-	25,121	- 15,923
DISBURSEMENTS			
Services and other	-	5	- 4,003
Total Disbursements	-	5	- 4,003
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	-	25,116	- 11,920
CASH AND INVESTMENTS, JANUARY 1	-	19,330	- 7,410
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ 44,446	\$ 19,330

CLINTON COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BUDGET AND ACTUAL –  
REGULATORY BASIS – ALL GOVERNMENTAL FUNDS  
YEARS ENDED 2021 AND 2020

GENERAL PURPOSE LAW ENFORCEMENT FUND				
Year Ended December 31,				
	2021		2020	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Interest	-	36	-	52
Other	-	5,406	-	500
Transfer in	-	-	-	-
Total Receipts	-	5,442	-	552
DISBURSEMENTS				
Services and other	-	3,546	-	2,789
Total Disbursements	-	3,546	-	2,789
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	-	1,896	-	(2,237)
CASH AND INVESTMENTS, JANUARY 1	-	5,278	-	7,515
CASH AND INVESTMENTS, DECEMBER 31	-	\$ 7,174	-	\$ 5,278



**CLINTON COUNTY, MISSOURI**  
**STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS**  
**AGENCY FUNDS- REGULATORY BASIS**  
**AS OF DECEMBER 31, 2021**

	ROAD DISTRICT	AMBULANCE	CAP CO	SCHOOL DISTRICT	HEALTH DEPARTMENT	CITIES	SCHOOL TRUST			
ASSETS										
Cash and Cash Equivalents	\$ 2,256	\$ 701	\$ 104,876	\$ 20,169	\$ 371	\$ 4,298	\$ 70,624			
TOTAL ASSETS	<u>2,256</u>	<u>701</u>	<u>104,876</u>	<u>20,169</u>	<u>371</u>	<u>4,298</u>	<u>70,624</u>			
LIABILITIES										
Liabilities	2,256	701	104,876	20,169	371	4,298	70,624			
TOTAL LIABILITIES	<u>2,256</u>	<u>701</u>	<u>104,876</u>	<u>20,169</u>	<u>371</u>	<u>4,298</u>	<u>70,624</u>			
ASSETS										TOTAL AGENCY FUNDS
Cash and Cash Equivalents	\$ 5,516	\$ 1,190	\$ 2,888	\$ 117,427	\$ 1,697	\$ 4,485	\$ 1,505			\$ 338,003
TOTAL ASSETS	<u>5,516</u>	<u>1,190</u>	<u>2,888</u>	<u>117,427</u>	<u>1,697</u>	<u>4,485</u>	<u>1,505</u>			<u>\$ 338,003</u>
LIABILITIES										
Liabilities	5,516	1,190	2,888	117,427	1,697	4,485	1,505			338,003
TOTAL LIABILITIES	<u>\$ 5,516</u>	<u>1,190</u>	<u>\$ 2,888</u>	<u>\$ 117,427</u>	<u>\$ 1,697</u>	<u>\$ 4,485</u>	<u>\$ 1,505</u>			<u>\$ 338,003</u>

**CLINTON COUNTY, MISSOURI**  
**STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS**  
**AGENCY FUNDS- REGULATORY BASIS**  
**AS OF DECEMBER 31, 2020**

	ROAD DISTRICT	AMBULANCE	CAP CO SCHOOL	SCHOOL DISTRICT	HEALTH DEPARTMENT	CITIES	SCHOOL TRUST
ASSETS							
Cash and Cash Equivalents	\$ 16	\$ 10	\$ 113,780	\$ 285	\$ 5	\$ 50	\$ 7,605
TOTAL ASSETS	<u>16</u>	<u>10</u>	<u>113,780</u>	<u>285</u>	<u>5</u>	<u>50</u>	<u>7,605</u>
LIABILITIES							
Liabilities	16	10	113,780	285	5	50	7,605
TOTAL LIABILITIES	<u>16</u>	<u>10</u>	<u>113,780</u>	<u>285</u>	<u>5</u>	<u>50</u>	<u>7,605</u>
ASSETS							
Cash and Cash Equivalents	\$ 5,516	\$ 2,203	\$ 1,257	\$ 116,842	\$ 23	\$ 540	\$ 248,132
TOTAL ASSETS	<u>5,516</u>	<u>2,203</u>	<u>1,257</u>	<u>116,842</u>	<u>23</u>	<u>540</u>	<u>248,132</u>
LIABILITIES							
Liabilities	5,516	2,203	1,257	116,842	23	540	248,132
TOTAL LIABILITIES	<u>5,516</u>	<u>2,203</u>	<u>1,257</u>	<u>116,842</u>	<u>23</u>	<u>540</u>	<u>248,132</u>

CLINTON COUNTY, MISSOURI  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Clinton County, Missouri ("County") is governed by a three-member board of commissioners. In addition to the three board members, there are nine elected Constitutional Officers: Assessor, Circuit Clerk-Recorder, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Sheriff, and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America (GAAP), which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

**A. Reporting Entity**

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Clinton County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County's legal entity. The financial statements also include the A.R. and Eleanor Alexander Memorial Fund which is controlled by the Senate Bill 40 Board.

Certain elected County officials, particularly the Collector and Treasurer, collect and hold monies in a trustee capacity as an agent of individuals, taxing units, or other governments. These assets, which are held by these officeholders for the sole benefit of external parties, are not reported on the accompanying financial statements.

**B. Basis of Presentation**

Governmental Funds - Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County's funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds.

Agency funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds or other governmental units. Agency funds are accounted for and reported similarly to governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of the results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other officeholders.

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**

**C. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

As a result of using this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation bonds and obligations under capital leases) and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

**D. Budgets and Budgetary Accounting**

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50 RSMo, the County's policy is to adopt a budget for each governmental fund. There are governmental funds that have not adopted a budget. These funds are Investigative Squad Fund for 2020, Asset Forfeiture Fund for 2020, Covid-19 Relief Fund for 2021 and 2020, Senate Bill 40 Fund for 2021 and 2020, American Rescue Plan Act for 2021, Recorder User Tax Fund for 2021 and 2020 and General Purpose Law Enforcement Fund for 2021 and 2020.
2. On or before the second Monday in January, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**

**D. Budgets and Budgetary Accounting-continued**

3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Section 50.740 RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following funds:

	<b>2021</b>	<b>2020</b>
General Revenue Fund	N/A	✓
Sheriff's Revolving Fund	✓	N/A
Inmate Prisoner Debt Fund	N/A	✓
Prosecuting Attorney Delinquent Tax Fund	✓	N/A
Local Emergency Planning Commission Fund	✓	N/A
Election Service Fund	✓	N/A
Emergency Management Fund	N/A	✓
Health Reimbursement Fund	N/A	✓

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2021 and 2020, for purposes of taxation were:

	2021	2020
Real Estate	231,134,419	207,649,239
Personal Property	72,498,800	61,929,070
Railroad and Utilities	49,871,885	51,883,046
Total	<u>353,505,104</u>	<u>321,411,355</u>

For calendar years 2021 and 2020, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2021	2020
General Revenue	0.2455	0.2701
Common Road District	0.2651	0.2805
Special Road & Bridge	0.3362	0.3500
Senate Bill 40 Board	0.0899	0.0927

The Special Road & Bridge Fund receives both the Common Road District and Special Road & Bridge levies. The County also receives 20% of taxes levied and collected by the Cameron and Plattsburg Special Road Districts.

**F. Cash Deposits and Investments**

Deposit and cash equivalents are stated at cost, which approximates the market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and cash equivalent and investment balances are presented in Note 2.

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

Transfers between funds for the years ended December 31, 2021 and 2020, were as follows:

FUND	2020		2021	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General Revenue Fund	122,756	346,865	123,200	81,146
Special Road & Bridge Fund	-	99,422	-	88,314
Capital Improvement Fund	-	23,334	-	34,885
Emergency Management Fund	346,865	-	81,146	-
Total	<u>469,621</u>	<u>469,621</u>	<u>204,346</u>	<u>204,346</u>

**NOTE 2 – CASH AND INVESTMENTS**

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Cash includes deposits and short-term investments with maturities that are less than ninety days. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2021 and 2020, the carrying amounts of the County's deposits were 8,054,815 and \$6,042,635, respectively, and the bank balances were \$8,332,603 and \$6,536,238, respectively. Of the bank balances, \$754,144 for December 31, 2021 and \$756,950 for December 31, 2020, were covered by federal depository insurance. The remainder of the balances at December 31, 2021 and December 31, 2020 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

The County's cash balance is maintained in deposit accounts in local financial institutions. These institutions provide FDIC coverage of \$250,000 per depositor. The Organization considers short-term cash investments with a majority of three months or less to be cash equivalents.

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 2 – CASH AND INVESTMENTS-continued**

Custodial Credit Risk – Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments. All investments, evidenced by individual securities, are registered in the name of the County or of a type not exposed to custodial credit risk.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities. The County's investments were not exposed to concentration of investment credit risk for the years ended December 31, 2021, and 2020.

**NOTE 3 – COUNTY EMPLOYEES' RETIREMENT PLANS**

A. Missouri Local Government Employees Retirement System (LAGERS)

1. Plan Description

Clinton County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute under Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.



CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 3 – COUNTY EMPLOYEES’ RETIREMENT PLANS-continued**

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

**2. Pension Benefits**

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

**3. Funding Policy**

Full-time employees of Clinton County contribute 4% of their gross compensation to LAGERS. The June 30th statutorily required contribution rates were 1.4% and 2.2% (General), and 4.1% and 3.1% (Police), of annual covered payroll in 2021 and 2020, respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the years ended December 31, 2021 and 2020, the County contributed \$29,851 and \$37,186 to LAGERS.

**B. County Employees’ Retirement Fund (CERF)**

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

**1. Plan Description**

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of eleven persons.

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 3 – COUNTY EMPLOYEES’ RETIREMENT PLANS-continued**

**B. County Employees’ Retirement Fund (CERF)-continued**

**2. Pension Benefits**

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632- 2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

**3. Funding Policy**

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. The County has elected not to make contributions on behalf of employees. During 2021 and 2020, the County collected and remitted to CERF employee withholdings and fees collected of \$11,277 and \$5,239, respectively, for the years then ended.

**C. Prosecuting Attorney Retirement Fund**

In accordance with state statute Section 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$3,395 and \$3,669, respectively, for the years ended December 31, 2021 and 2020.

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 4 – POST EMPLOYMENT BENEFITS**

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

**NOTE 5 – CLAIMS, COMMITMENT AND CONTINGENCIES**

**A. Compensated Absences**

The County provides full-time employees accrued vacation time as follows: one week per year after one year of continuous service; two weeks per year after two years of continuous service; three weeks per year after 10 years of continuous service; and four weeks per year after 20 years of continuous service. Vacation time must be used during the anniversary year in which it is earned, with the exception of Sheriff's Department employees, who are allowed to carryover up to 200 hours. Full-time employees accrue 10 days of sick leave per year, and up to 10 days may be carried over from one year to the next, up to a maximum of 20 days. Employees are compensated for unused vacation time at termination but are not compensated for unused sick time.

**B. Federal and State Assisted Programs**

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

**C. Litigation**

The County was not involved in pending litigation as of December 31, 2021. The extent of the liability, if any, cannot be determined at this time.

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 6 – RISK MANAGEMENT**

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years. The County maintains general liability, public officials' errors and omissions and employment-related liability coverage through commercial insurance companies with limits of \$4,000,000 aggregate, and \$2,000,000 per occurrence.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

**NOTE 7 – LONG-TERM DEBT**

The County entered into a loan with the Missouri Department of Natural Resources on November 6, 2008, for \$183,820 to finance various energy savings projects. The loan will be repaid with semi-annual payments of \$9,664 through August 1, 2020, and one payment of \$1,377 on February 1, 2021, which includes interest of 4.15%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2020	18,687	640	19,327
2021	1,349	28	1,377
	<u>20,036</u>	<u>668</u>	<u>20,704</u>

On July 18, 2017, the County entered into a six-year, \$51,878 capital lease through Farmers State Bank to purchase a transport van for the Sheriff's Department. The lease is to be paid in monthly payments of \$788, ending July 20, 2023, including interest of 3%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2020	8,613	845	9,458
2021	8,875	583	9,458
2022	9,145	313	9,458
2023	5,463	55	5,518
	<u>32,096</u>	<u>1,796</u>	<u>33,892</u>

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 7 – LONG-TERM DEBT-continued**

On November 28, 2017, the County entered into a \$121,000 capital lease through John Deere Financial to purchase a motor grader for the Road & Bridge Department. The lease calls for two payments of \$64,044 to be paid February 2, 2019 and 2020, including interest of 3.5%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2020	61,845	2,199	64,044
	<u>61,845</u>	<u>2,199</u>	<u>64,044</u>

On March 2, 2017, the County entered into a three-year, \$27,303 capital lease through Goppert Bank to purchase a 2015 Ford for the Sheriff's Department. The lease is to be paid in monthly payments of \$800, ending March 1, 2020, including interest of 3.5%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2020	2,386	14	2,400
	<u>2,386</u>	<u>14</u>	<u>2,400</u>

On February 28, 2017, the County entered into a three-year, \$21,564 capital lease through Goppert Bank to purchase a 2015 Ford for the Sheriff's Department. The lease is to be paid in monthly payments of \$632, ending February 29, 2020, including interest of 3.5%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2020	1,258	5	1,263
	<u>1,258</u>	<u>5</u>	<u>1,263</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

Description	Balance 12/31/2020	Additions	Payment	Balance 12/31/2021	Interest
2010 Motor Grader	41,062	-	(41,062)	-	1,460
Transport Van	23,483	-	(8,875)	13,608	583
MO DNR Loan	1,350	-	(1,350)	-	28
	<u>65,895</u>	<u>-</u>	<u>(51,287)</u>	<u>13,608</u>	<u>2,071</u>

CLINTON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2020

**NOTE 7 – LONG-TERM DEBT-continued**

The following schedule shows changes in long-term debt during the year ended December 31, 2020:

Description	Balance 12/31/2019	Additions	Payment	Balance 12/31/2020	Interest
2010 Motor Grader	80,712	-	(39,650)	41,062	1,460
2011 Motor Grader	61,845	-	(61,845)	-	2,199
2015 Ford (1 of 2)	1,258	-	(1,258)	-	5
2015 Ford (2 of 2)	2,326	-	(2,326)	-	14
2016 Ford	1,546	-	(1,546)	-	7
Transport Van	32,096	-	(8,613)	23,483	845
MO DNR Loan	20,037	-	(18,687)	1,350	640
	<u>199,820</u>	<u>-</u>	<u>(133,925)</u>	<u>66,895</u>	<u>5,170</u>

**NOTE 8 – SUBSEQUENT EVENTS**

The County has evaluated events subsequent to December 31, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through October 30, 2023, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statement

## **COMPLIANCE SECTION**

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1257 Hornsby \* St. Louis, Missouri 63147

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commissioner  
Clinton County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Clinton County, Missouri, as of and for the years ended December 31, 2021 and 2020, and the related notes to financial statements, which collectively comprise the Clinton County, Missouri's basic financial statements, which collectively comprise the Clinton County, Missouri's basic financial statements and have issued our report thereon dated October 30, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Clinton County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Clinton County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Clinton County, Missouri's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001, 2021-002, 2021-003 and 2021-005.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* -  
Continued

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Clinton County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2021-004.

**Clinton County, Missouri's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Clinton County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Clinton County, Missouri's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri

October 30, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the County Commissioner  
Clinton County, Missouri

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Clinton County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Clinton County, Missouri's major federal programs for the year ended December 31, 2021 and 2020. Clinton County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Clinton County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021 and 2020.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Clinton County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Clinton County, Missouri's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Clinton County, Missouri's federal programs.

1257 Hornsby \* St. Louis, Missouri 63147

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE-  
Continued

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Clinton County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Clinton County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Clinton County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Clinton County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Clinton County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE-  
Continued

**Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri

October 30, 2023

CLINTON COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2020

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Total Federal Expenditures	Amount sent to Subrecipients
	DEPARTMENT OF THE TREASURY			
21.019	Direct programs: Coronavirus Relief Fund	N/A	376,983	-
	DEPARTMENT OF PUBLIC SAFETY			
97.042	Direct programs: Emergency Management Performance Grants	N/A	7,733	-
TOTAL			<u>376,983</u>	<u>-</u>

See notes to Schedule of Expenditures of Federal Awards

CLINTON COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2021

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Total Federal Expenditures	Amount sent to Subrecipients
	DEPARTMENT OF THE TREASURY			
	Direct programs:			
21.019	Coronavirus Relief Fund	N/A	2,022,267	865,221
TOTAL			<u>2,022,267</u>	<u>865,221</u>

See notes to Schedule of Expenditures of Federal Awards

CLINTON COUNTY, MISSOURI  
NOTES SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Clinton County, Missouri under programs of the federal government for the year ended December 31, 2021 and 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule only presents a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets or cash flows of the County.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The entity has elected not to use the ten (10) percent de minimis indirect cost rate as allowed under the Uniform Guidance.

4. Subrecipients

During the year ended December 31, 2021 and 2020, the County provided \$865,221 and \$0, respectively in federal awards to subrecipients such as Schools, Cities and Ambulance Districts under Federal Assistance Listing Number 21.019.

5. Donated Personal Protective Equipment (PPE)-(Unaudited)

The County received donated face masks, hand sanitizer, protective gloves and disinfectant wipes from the State of Missouri during 2021 and 2020.

CLINTON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

**I. SUMMARY OF AUDITOR'S RESULT**

**A. Financial Statements**

1. Type of Auditor's report issued: Unmodified and Adverse

2. Internal control over financial reporting:

a. Material Weakness(es) identified? 2021 Yes ☐ No ☒

2020 Yes ☐ No ☒

b. Significant deficiency(ies) identified? 2021 Yes ☒ No ☐

2020 Yes ☒ No ☐

3. Noncompliance material to financial statements noted? 2021 Yes ☒ No ☐

2020 Yes ☒ No ☐

**B. Federal Awards**

1. Internal control over major federal programs:

a. Material Weakness(es) identified? 2021 Yes ☐ No ☒

2020 Yes ☐ No ☒

b. Significant deficiency(ies) identified? 2021 Yes ☐ No ☒

2020 Yes ☐ No ☒

2. Type of auditor's report issued on compliance for Major program:

2021 Unmodified

2020 Unmodified

3. Any audit findings disclosed that are required to be Reported in accordance with section 2 CFR 200.516(a)?

2021 Yes ☐ No ☒

2020 Yes ☐ No ☒

4. Identification of Major Federal Program

<u><b>Name of Federal Program or Cluster Title</b></u>	ALN <u>Number</u>	<u>Expenditures</u>
Coronavirus Relief Fund	21.019	2020: \$ 376,983
Coronavirus Relief Fund	21.019	2021: \$2,022,267

5. Dollar threshold used to distinguish between type A and Type B programs \$750,000

6. Auditee qualified as a low-risk auditee 2021 Yes ☐ No ☒

2020 Yes ☐ No ☒



CLINTON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTION COSTS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

**II. FINANCIAL STATEMENT FINDINGS**

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2021-001 – PERSONNEL FILES MAINTENANCE**

**Criteria:** The preparation and retention of all types of corporate records and documents, and the direct and indirect costs related thereto, are matters requiring periodic review and evaluation. Good internal control dictates that it is imperative to review the adoption of procedures and evaluate recordkeeping requirements and the adherence thereto on a periodic basis (such as every one or two years).

**Condition:**

During our audit of the financial statement, we noted the following:

- Out of 40 personnel files selected for testing, The County failed to provide 2 I-9 form and 1 W4 form. (Repeated findings 2017-004)

**Cause of Condition:** Internal control policy and procedures were not followed nor was payroll activity properly monitored by those charged with governance.

**Potential Effect of Condition:** The absence of complete personnel files and approval of pay rate increases puts the organization at risk for failure to operate in accordance with laws and regulations governing the local governments. Because internal controls in place are not followed, this could result in material misstatements, fraud or misreporting of payroll expenditures as well as payroll-related taxes.

**Recommendation:** The County must have internal controls in place to ensure compliance with the requirements. We further recommend that the County should establish a policy specifying which records should be retained for payroll related activities which should start from hiring, ongoing employee evaluation, termination and retirement.

**Management Response:** The County Clerk's office takes these very seriously. The office has established a checklist for each employee to make sure that records are in employee files and maintained. The implementation of new pay rate forms will ensure compliance with laws and regulations governing our local government. Some of the records that were selected could not be found and were for employees that had left County employment since 2020 or 2021. Records are in order going forward. The County Clerk's office experienced a major turnover of employees, including the County Clerk himself in 2019. We will utilize the audit recommendations from 2017 to create the necessary controls that were not implemented by the previous administration. Internal controls and procedures will be followed and tracked going forward.

CLINTON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTION COSTS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2021-002 – INACCURATE AND EXCESS PAYMENT OF CONTRACT AMOUNT**

**Criteria:** A strong internal control system can help ensure the accuracy of financial transactions and reporting, which is essential for the effective management of an organization's finances. The following are ways in which a strong internal control system can help address accuracy problems.

- Segregation of duties: A strong internal control system should ensure that no single employee has complete control over a financial transaction from start to finish. This reduces the risk of errors or fraud going undetected.
- Approval and authorization: Internal controls should require approvals and authorizations at various stages of financial transactions. This ensures that all transactions are authorized by the appropriate individuals and are in accordance with company policies.
- Record keeping and documentation: Accurate record-keeping is crucial for maintaining accurate financial records. A strong internal control system should ensure that all financial transactions are properly documented and recorded in a timely and accurate manner.
- Reconciliation: Reconciliation of accounts, such as bank accounts and accounts receivable, is an important internal control measure to detect errors or discrepancies.
- Monitoring and review: Regular monitoring and review of financial transactions and reports can help detect errors or irregularities. This can be done through internal audits or by implementing other monitoring processes.

**Condition:** During our test of internal control on expenditures, we noted one disbursement in excess of the payment required in the contract.

**Cause of Condition:** Lack of controls in verifying the accuracy of transactions which lead to overpayments.

**Potential Effect of Condition:** Excess payments can lead to financial losses for the organization, which can impact its overall financial health. Overpayments can reduce the available cash flow, affecting the ability to make necessary investments or pay other critical expenses.

**Recommendation:** We recommend that the County should establish a policy for the review process. Take a close look at your records to confirm that you have indeed made an excess payment. Double-check your receipts, bank statements, or any other records you may have. Get in touch with the vendor or service provider you paid and explain the situation. Request a refund for the excess amount you paid. Be sure to provide evidence of your payment and the excess amount paid.

CLINTON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTION COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2021-002 – INACCURATE AND EXCESS PAYMENT OF CONTRACT AMOUNT-continued**

**Management Response:** We take these findings very seriously and have implemented more internal controls and procedures to ensure the accuracy of our records and prevention of excess or under payments. The office has employed qualified staff and now are able to prevent malicious internal threats as found from previous employees. Controls and procedures will be followed rigorously and with integrity. The disbursement that was found in the audit to be an overpayment has since been returned to the County. Steps should be added in the payment process to ensure that payments are processed to the correct account and for the correct amounts before checks are written. Future audits should reflect a substantial change in the findings.

**2021-003: COLLECTOR'S ANNUAL SETTLEMENTS (REPEATED 2017-006)**

**Criteria:** Section 139.190, RSMo requires the Collector to submit an annual settlement to the County Commission, and upon examination and approval by the Commission, the annual settlement is to be certified by the Clerk and filed with the Missouri Department of Revenue.

**Condition:** The Collector submitted a monthly register of tax collections to the Clerk and Treasurer. However, the Collector did not complete Form 205, Collector's Annual Settlement as required for the years ended February 29, 2016, February 28, 2017, February 28, 2018, February 28, 2019, February 29, 2020, February 28, 2021 and February 28, 2022.

**Cause:** The Collector did not complete annual settlements of account.

**Effect:** The Collector was not in compliance with state statutes.

**Recommendation:** We recommend the Collector prepare all required forms as prescribed by state statute.

**Management Response:** According to the Collector, the Annual Statement was provided to the Commission and the County Clerk.

CLINTON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTION COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**NONCOMPLIANCE**

**2021-004: BUDGETARY COMPLIANCE (REPEATED 2017-005)**

**Criteria:** 1. Section 50.540 RSMo requires the preparation of a budget for all County funds,  
2. Section 50.740, RSMo prohibits expenditures in excess of the approved budget.  
3. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.

**Condition:**

1. The County did not have approved budget for the following funds: Investigative Squad Fund (2020), Asset Forfeiture Fund (2020), Covid-19 Relief Fund (2020 & 2021), Senate Bill 40 Fund (2020 & 2021), American Rescue Plan Act (2021), Recorder User Tax Fund (2021 & 2020) and General Purpose Law Enforcement Fund (2021 & 2020).
2. Actual expenditures exceeded budgeted amounts for the following funds:

	<b>2021</b>	<b>2020</b>
General Revenue Fund	N/A	✓
Sheriff's Revolving Fund	✓	N/A
Inmate Prisoner Debt Fund	N/A	✓
Prosecuting Attorney Delinquent Tax Fund	✓	N/A
Local Emergency Planning Commission Fund	✓	N/A
Election Service Fund	✓	N/A
Emergency Management Fund	N/A	✓
Health Reimbursement Fund	✓	✓

**Cause:** The County did not prepare formal budgets for all County funds and did not adequately review and amend budgeted expenditures of each fund to ensure actual expenditures did not exceed the budget amounts.

**Effect:** In order to ensure the integrity of the budgeting process, a budget must be adopted for each County fund and the spending limits should be adhered to.

**Recommendation:** We recommend the County ensure compliance with state statutes by adopting a budget for each County fund and by refraining from approving expenditures in excess of budgeted amounts. In the event that the originally adopted budget is inadequate to finance the current-year unforeseen expenditures, budgetary amendments should be discussed in a public meeting and formally adopted by the County Commission.

CLINTON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTION COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**2021-004: BUDGETARY COMPLIANCE (REPEATED 2017-005)-continued**

**Management Response:** The County has prepared formal budgets for all County funds and have amended properly with a public hearing and a submittal to the State Auditor's office. The County will prepare budgets going forward and amend them properly.

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2021-005: NEGATIVE FUND BALANCE**

**Condition:** There was a negative fund balance on Sheriff's Supplemental Grant Fund(2020), Health Reimbursement Fund(2020) and Investigative Squad Fund( 2021).

**Criteria:** Adequate controls over cash reconciliations are necessary to ensure accurate and reliable financial reporting. Bank reconciliations should be performed in a timely manner, typically on a monthly basis, to identify and resolve discrepancies between the bank's records and the organization's cash accounts. Bank reconciliations should be performed in a timely manner, typically on a monthly basis, to identify and resolve discrepancies between the bank's records and the organization's cash accounts. Any discrepancies identified during the reconciliation process should be promptly investigated and resolved to ensure the integrity of the cash balances and financial reporting.

**Cause:** The main cause of the negative fund balance was due to timing differences between inflows and outflows, unexpected or unplanned expenses, overspending beyond the approved budget or financial plan, weak financial controls, inadequate budget monitoring, and lack of oversight can contribute to a negative fund balance.

**Effect:** Negative fund balances will result in reduced or compromised service delivery to constituents or beneficiaries due to budget constraints.

**Recommendation:** We recommend that the County should conduct a thorough analysis to understand the root causes of the negative fund balance, including overspending, or unforeseen expenses. Revise the budget to align with the available resources and address the negative balance. Emphasize the importance of timely reconciliation to minimize the risk of errors and discrepancies going unnoticed. Implement a system that ensures reconciliations are performed promptly and discrepancies are investigated and resolved in a timely manner.

**Management Response:** The County did not provide response on this finding.

CLINTON COUNTY, MISSOURI  
FOLLOW-UP ON SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

**2017-001: TREASURER'S BANK RECONCILIATIONS**

**Criteria:** A proper system of internal control requires periodic reconciliations between accounting system and bank records. Additionally, Section 54.150, RSMo requires county treasurers to perform semiannual settlements of account in June and December.

**Condition:** During the audit period, the Treasurer did not perform reconciliations of the monthly bank statement balances to the balances per the accounting records. Additionally, the Treasurer did not prepare settlements of account during the audit period. Settlements of account for the years ended December 31, 2015, 2016, and 2017 were prepared during audit fieldwork and were not reconciled to year-end bank statements.

**Cause:** Monthly bank reconciliations and semiannual settlements of account were not performed by the Treasurer during the audit period.

**Effect:** Not performing timely reconciliations of the accounting records to the bank balances increases the likelihood of misstatements of the County's cash balances whether due to fraud or error.

**Recommendation:** We recommend the Treasurer immediately begin performing timely reconciliations of the monthly bank statements to the accounting records. We also recommend that the Treasurer complete semi-annual settlements in a timely manner and submit them to the County Commission as required.

**County Response:** Met with Treasurer. She is working to complete all reconciliations. Currently halfway through 2015. Intends to have completed by the end of the year.

**Auditor's Evaluation:** Bank statements should be reconciled to the accounting records on a monthly basis going forward. Semi-annual settlements must also be completed as required by state statute.

**Status as of December 31, 2021:** Resolved.

CLINTON COUNTY, MISSOURI  
FOLLOW-UP ON SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2017-002: SENATE BILL 40 BOARD INTERNAL CONTROL**

**Criteria:** A proper system of internal control requires adequate documentation and preservation of financial records and timely completion of reconciliations between the accounting system and bank records

**Condition:** The Senate Bill 40 Board did not maintain adequate accounting records, including timely bank reconciliations. The December 2017 bank reconciliation was prepared in July 2018. Multiple certificate of deposit interest statements and monthly bank account statements could not be located. Financial records are maintained off-site by the Senate Bill 40 Board president in unindexed plastic storage bins. A budget for 2018 has not been formally adopted by the Board and actual financial information for 2017 was never submitted to the County Clerk for inclusion in the County's budget documents.

**Cause:** The longtime Senate Bill 40 Board bookkeeper resigned in April 2017, and the Senate Bill 40 Board President has since maintained custody of all financial records. Bank statements are not timely reconciled by the outside accountant.

**Effect:** The Senate Bill 40 Board has not maintained adequate records to ensure accurate financial statements are timely completed and made available to the public.

**Recommendation:** We recommend the Senate Bill 40 Board design, implement and maintain internal controls adequate to ensure the timely completion of bank reconciliations, financial statements, and budgets.

**County Response:** The Senate Bill 40 Board did not provide comments. **Auditor's Evaluation:** The audit report has been provided to the Senate Bill 40 Board to implement the recommendations.

**Auditor's Evaluation:** The audit report has been provided to the Senate Bill 40 Board to implement the recommendations.

**Status as of December 31, 2021:** Resolved.

CLINTON COUNTY, MISSOURI  
FOLLOW-UP ON SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2017-003: SHERIFF'S INTERNAL CONTROLS**

**Criteria:** A proper system of internal controls requires adequate custodial control over credit cards, appropriate approval and documentation of purchases, and timely payment to avoid interest and late charges.

**Condition:** The Sheriff's office opened a credit card account in January 2017, bearing interest at 13.25%, and maintains Visa cards in the custody of the Sheriff and two employees of the Sheriff's office. Credit card statements were occasionally submitted late to the County Clerk for payment and without itemized receipts to accompany the charges. January 2017 and October 2017 credit card statements could not be located. Interest and late fees aggregated \$711 over the 10 months in 2017 for which statements were documented.

Additionally, a Finish Line fuel card is maintained in each of the Sheriff's fleet vehicles for fuel purchases. The cards require an odometer reading entry in order to activate the pump. Odometer readings on the monthly fuel card statements were inconsistent, including instances in which odometer readings decreased between transactions. No reconciliations between statements and actual odometer readings were performed. Fuel purchases were also made with the Visa credit cards issued through Goppert Bank, which lack controls over fuel purchases such as requiring an odometer reading to be entered.

**Cause:** Receipts and credit card statements were not adequately documented, reviewed and submitted timely for payment.

**Effect:** Lack of oversight of credit card and fuel card purchases increases the likelihood that cards could be used for inappropriate or unnecessary purchases or for personal use.

**Recommendation:** We recommend the County adopt and implement a policy to ensure credit card statements are submitted for payment timely and are reconciled to supporting documentation prior to payment. We further recommend the Sheriff implement procedures to review monthly fuel and statements, noting any discrepancies in each vehicle's odometer readings.

**County Response:** Met with Sheriff Fish and members of his staff. Have implemented procedures to assist with credit card billings. They are looking for other options on credit companies and pay as you go options. They have addressed the fuel account issue with mileages and employer names.

**Status as of December 31, 2021:** Resolved.



CLINTON COUNTY, MISSOURI  
FOLLOW-UP ON SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2017-004: INTERNAL CONTROL OVER EMPLOYEE TIMESHEETS AND PAY**

**Criteria:** A proper system of internal control requires adequate documentation of time worked and rate of pay for each employee and each pay period.

**Condition:** We tested 30 payroll transactions for propriety and noted no evidence of a timesheet for one employee, discrepancies in the number of hours worked between two employees' timesheets and the payroll register, one timesheet lacking the required employee and supervisor signatures, and three discrepancies between documented pay rates and the pay rates per the payroll register.

**Cause:** The County's established internal controls over the payroll process were not consistently followed during the audit period or were not sufficiently designed to prevent errors.

**Effect:** Discrepancies between payroll registers, employee timesheets and documented pay rates could result in employees being paid incorrectly.

**Recommendation:** We recommend the County implement procedures to ensure that employee's hours worked and rates of pay per payroll registers are accurate and properly supported.

**County's Response:** All employees turn in timesheets in a timely manner with the exception of the Sheriff's office. They are not always timely.

**Auditor's Response:** The response does not address the concern. The County should implement procedures to ensure that amounts paid to employees are supported by hours reported on timesheets that are attested to by the employee and supervisor

**Status as of December 31, 2021:** Resolved.

CLINTON COUNTY, MISSOURI  
FOLLOW-UP ON SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**ITEMS OF NONCOMPLIANCE**

**2017-005: BUDGETARY COMPLIANCE**

**Criteria:** Section 50.540, RSMo requires the preparation of a budget for all County funds, Section 50.740, RSMo prohibits expenditures in excess of the approved budget.

**Condition:** Budgets were not prepared for two funds in 2017 and two funds in 2016. Expenditures exceed budgeted appropriations for eight funds in 2017 and four fund in 2016. The detailed list of funds can be found in Notes 1.D.9 and 1.D.10 to the financial statements/

**Cause:** The County did not prepare formal budgets for all County funds and did not adequately review and amend budgeted expenditures of each fund to ensure actual expenditures did not exceed the budget amounts.

**Effect:** In order to ensure the integrity of the budgeting process, a budget must be adopted for each County fund and the spending limits should be adhered to.

**Recommendation:** We recommend the County ensure compliance with state statutes by adopting a budget for each County fund and by refraining from approving expenditures in excess of budgeted amounts. In the event that the originally adopted budget is inadequate to finance the current-year unforeseen expenditures, budgetary amendments should be discussed in a public meeting and formally adopted by the County Commission.

**County Response:** Prior auditors informed us it was not necessary to budget for these.

**Auditor's Evaluation:** The County should budget for all funds over which it exercises authority. The response does not address the issue regarding approving expenditures in excess of approved budgets. The County should refrain from approving expenditures in excess of approved budgets and amend the budget if necessary.

**Status as of December 31, 2021:** Unresolved, repeated findings reported as 2021-003.

CLINTON COUNTY, MISSOURI  
FOLLOW-UP ON SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2017-006: COLLECTOR'S ANNUAL SETTLEMENTS**

**Criteria:** Section 139.190, RSMo requires the Collector to submit an annual settlement to the County Commission, and upon examination and approval by the Commission, the annual settlement is to be certified by the Clerk and filed with the Missouri Department of Revenue.

**Condition:** The Collector submitted a monthly register of tax collections to the Clerk and Treasurer. However, the Collector did not complete Form 205, Collector's Annual Settlement as required for the years ended February 29, 2016, February 28, 2017, or February 28, 2018.

**Cause:** The Collector did not complete annual settlements of account.

**Effect:** The Collector was not in compliance with state statutes.

**Recommendation:** We recommend the Collector prepare all required forms as prescribed by state statute.

**County Response:** Met with Collector. She is currently working to complete and intends to have done by the end of the year.

**Auditor's Evaluation:** The Collector's Annual Settlements should be completed on an annual basis moving forward as required.

**Status as of December 31, 2021:** Unresolved, repeated findings reported as 2021-002.

**David Woody**  
**Clerk of Clinton County Commissioners**  
207 North Main - Room 103  
Plattsburg, Missouri 64477  
(816) 539-3713  
Fax (816) 539-3072

October 31, 2023

CR Williams & Associates LLC  
Certified Public Accountants  
1257 N. Hornsby  
St. Louis, Mo 63147

RE: Audit for years ending December 31, 2021 and 2020

I have responses to findings in the audit draft. Please update my responses shown below.

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**Pg 53 PERSONNEL FILES MAINTENANCE**

Response:

The County Clerk's Office takes these findings very seriously. The office has established a checklist for each employee to make sure that records are in employee files and maintained. With the implementation of new pay rate forms will ensure compliance with laws and regulations governing our local government. Some of the records that were selected could not be found and were for employees that had left county employment since 2020 or 2021. Records are in order going forward.

The County Clerk's Office experienced a major turnover of employees, including the County Clerk himself in 2019. We will utilize the audit recommendations from 2017 to create the necessary controls that were not implemented by the previous administration. Internal controls and procedures will be followed and tracked going forward.

**Pg. 54 INACCURATE AND EXCESS PAYMENT OF CONTRACT AMOUNT**

Response:

We take these findings very seriously and have implemented more internal controls and procedures to ensure the accuracy of our records and prevention of excess or under payments. The office has employed qualified staff and now are able to prevent malicious internal threats as found from previous employees. Controls and procedures will be followed rigorously and with integrity. The disbursement that was found in the audit to be an overpayment has since been returned to the county.

Steps have been added in the payment process to ensure that payments are processed to the correct account and for the correct amounts before checks are written.  
Future audits should reflect a substantial change in the findings.

**Pg. 56-57 BUDGETARY COMPLIANCE**

The county has prepared formal budgets for all county funds and have amended properly with a public hearing and a submittal to the State Auditor's office.  
The county will prepare budgets going forward and amend them properly.

Sincerely,



Christine Owen, Chief Deputy Clerk

**CLINTON COUNTY COLLECTOR  
MICHELE WELLS  
207 N MAIN STREET, RM 114  
PLATTSBURG MO 64477-1576  
816-539-3726**

June 6, 2023

Dear Auditors of the Clinton County Missouri Audit,

I am responding to the audit findings for the 2022/2023 audit. I was unaware that my Annual Statement had not been sent into the State of Missouri. I had finished the reports that I was delinquent in (2015-2018) and presented them to the Commission and the County Clerk in 2019. Every year since, the Annual Statement was provided to the Commission and the County Clerk. I would ask the Clerk if he had signed it and when he was going to get it back to me. His response was always that he was going to sign it and then he told me later that he had signed it and had mailed it to the State.

I don't know what to do in the future, as I can't make him sign the form. I will go ahead and send the Annual Statement in the future, even if I can't get a signature from the Clerk.

I have since sent the copies of the computer program Form 205 to the State of Missouri.

Sincerely,

Michele Wells  
Clinton County Collector of Revenue

**Michele Wells  
Collector**

**Vickie Kilgore  
Chief Deputy Collector**

**Justin Powell  
Deputy Collector**



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

December 18, 2023

Gail McCann Beatty, County Assessor  
and  
Frank White, County Executive  
and  
Jackson County Legislature

This letter reports results of our initial review of certain complaints received by this office from Jackson County taxpayers and the concerns of the Jackson County Legislature in its ordinance passed August 21, 2023. The complaints relate to the county's compliance with statutory physical inspection requirements when the assessed valuation of a property increases by more than 15 percent in a reassessment year.

The State Auditor's Office is currently auditing the Jackson County Assessor and Assessment Process. This letter addresses deficiencies and noncompliance identified during our investigation under Section 29.221, RSMo, and during our ongoing audit, that we consider to be time sensitive and necessary to be disclosed prior to completion of the audit in accordance with *Government Auditing Standards*. This letter will be included as a component of the final audit report along with the findings, conclusions, and recommendations resulting from the audit.

The objectives of our audit work include determining if the Assessment Department (AD) notified taxpayers/property owners of the necessity of an inspection and the opportunity for an interior inspection as required by statute.

**Methodology**

Our ongoing audit procedures include reviewing certain policies and procedures, applicable statutory requirements, county contracts for assessment services, State Tax Commission (STC) decisions, and notice and inspection data, in addition to interviewing various officials of the county and certain external parties.

In November 2023, the AD provided us a report of all residential parcels and the associated assessed valuations. The AD also provided us information regarding notifications sent and interior inspections requested. We reviewed the notice and inspection information to determine the extent to which these were provided to applicable property owners.

**Background**

The county performed a comprehensive biennial reassessment process for 2023 to appraise all county properties at their real value. This resulted in an increased assessed valuation for approximately 238,000 residential parcels, totaling over \$2.6 billion.

In October 2020, Jackson County contracted with Tyler Technologies, Inc. (Tyler) to provide various assessment services including developing the Computer-Assisted Mass Appraisal system, performing a parcel-by-parcel review of all residential and commercial properties, and completing the 2023 reassessment. The reassessment was based on information and systems provided by the contractor in conjunction with the AD. With this contractual relationship, the AD effectively outsourced much of its assessment process.

Sections 137.115.10 through 12, RSMo, outline the following requirements for inspection of a property when the assessed valuation increases by more than 15 percent since the last assessment:

- Section 137.115.10, RSMo - Before the assessor may increase the assessed valuation of any parcel of subclass (1) real property<sup>1</sup> by more than 15 percent since the last assessment, excluding increases due to new construction or improvements, the assessor shall conduct a physical inspection of such property.
- Section 137.115.11, RSMo - If a physical inspection is required, pursuant to this statute, the assessor shall notify the property owner of that fact in writing and shall provide the owner clear written notice of the owner's rights relating to the physical inspection. If a physical inspection is required, the property owner may request that the AD perform an interior inspection during the physical inspection. The owner shall have no less than 30 days to notify the assessor of a request for an interior physical inspection.
- Section 137.115.12, RSMo - Requires the physical inspection to include, at a minimum, an on-site personal observation and review of all accessible exterior portions of the land and any buildings and improvements, and an observation and review of the interior of any buildings or improvements on the property upon the timely request of the owner. The statute also specifies that a "mere observation of the property via a drive-by inspection or the like shall not be considered sufficient to constitute a physical inspection as required by this section."

Based on information provided by the AD, approximately 200,000 residential properties' assessed valuations increased by more than 15 percent and required a physical inspection per statute. The AD was required to notify each of the property owners of the increase and the owner's rights relating to physical inspection, and to allow the property owner to request an interior inspection. AD officials indicated notifications were sent from April through June 2023. AD officials indicated they believed that the exterior physical inspection requirement noted in Section 137.115.10, RSMo, was fulfilled by the parcel-by-parcel review process conducted by Tyler in 2021, 2022, and early 2023.

AD officials indicated they prepared approximately 50,000 letters from April to June 2023 for property owners whose property assessed valuations increased more than 15 percent. The letter sent (see example letter in attachment A) provided the percentage increase for the assessed valuation, a statement on the property owner's right to request an inspection of the interior of the property within 30 days, and a link for the taxpayer to request a review of the assessed valuation online if he/she disagreed with the amount presented. AD officials indicated they did not send letters to all applicable taxpayers during this timeframe due to the excessive demand this would have put on department officials and resources.

In May 2023, the AD used its mailing vendor to print and send a more general assessment letter<sup>2</sup> to all taxpayers with their reassessment information (see example letter in attachment B). This undated letter

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<sup>1</sup> Subclass (1) real property includes all residential real property.

<sup>2</sup> The AD refers to this notice/letter as an impact notice.



included the current and prior year assessed valuations but did not include the percentage increase. The letter indicated that the reassessment included an exterior physical inspection of the property and that the taxpayer "may" have the right to request an interior inspection, and provided a link to request the interior inspection and/or a Board of Equalization appeal. The AD indicated it sent 2 sets of these notifications to its mailing vendor and indicated the first set was sent by May 31, 2023, and the second was sent by June 15, 2023.

AD officials also indicated the AD's website included information regarding the reassessment and inspection process. In 2021, the AD included information on its website that Tyler Technologies was conducting parcel-by-parcel exterior inspections for 2023 and that the process would continue through 2022. As of May 2023, the AD website included a "Property Owners Guide to Valuation Review" stating that exterior inspections were complete and the property owner may request an interior inspection.

### **Complaints and Identified Deficiencies and Noncompliance**

*Summary of Complaints - The Jackson County Assessment Department did not properly notify property owners whose property assessed valuations increased more than 15 percent of their rights regarding physical inspection of their property.*

#### **Physical Inspection Notice**

The AD did not notify most property owners whose assessed valuations increased more than 15 percent, in writing, that a physical inspection was required and did not provide "clear written notice of the owner's rights relating to the physical inspection" when conducting its parcel-by-parcel exterior review, as required.

None of the letters sent to property owners included information that a physical inspection was required by statute or explained the owner's rights relating to the physical inspection beyond a statement about the right to request an interior inspection. The letters only stated that "Reassessment of your property included an exterior physical inspection." Additionally, most of the letters were undated and did not include the percentage change in assessed valuation so taxpayers would have had to calculate the change to determine if they could request an interior inspection. Tyler officials also indicated they were not contractually required to, nor did they, provide notice of the exterior property reviews as part of their inspection process. Our review of AD data indicates the AD only issued approximately 760 letters prior to Tyler performing an exterior review of the property. Instead, the only indication most property owners received during the parcel-by-parcel review was a generic door hanger indicating a representative visited the property but missed the property owner, and asked the property owner to provide information on the property by mail or through the AD website. See Attachment C.

Statute requires the interior inspection, if requested, be conducted during the physical inspection. If the AD conducted an exterior inspection in conjunction with a requested interior inspection this may have qualified as an appropriate inspection. The AD indicated, "an inspection request would necessarily include reviewing interior and exterior." However, there is nothing in either letter to indicate that. In addition, the AD used its assessment contractor for at least a portion of the interior inspections and Tyler officials indicated they were not requested to, and they did not, perform exterior inspections when conducting interior inspections.

Finally, in a STC ruling<sup>3</sup> provided by AD officials, the STC concluded: ". . . a taxpayer receiving notice that an inspection occurred for the purpose of a six-year review and a taxpayer receiving notice that an

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<sup>3</sup> *Geiger Real Estate, Inc., v. Philip Muehlehausler, Assessor, St. Louis County Missouri*, Appeal No. 07-11408, issued April 21, 2009.



*inspection is necessary for an increase in their valuation over 15% would have different considerations when determining if they would request an additional exterior and/or interior inspection. By failing to notify the property owners that an inspection is required prior to an increase in their valuation and their rights regarding physical inspections, the taxpayer is deprived of due process."* Accordingly, the AD stating it conducted an exterior physical inspection for all real estate is not sufficient to meet notification requirements or provide property owners the due process intended by the inspection requirements. In more recent cases,<sup>4</sup> the STC has continued to rule that failure to meet provisions of Sections 137.115.10 through 12, RSMo, negates any increase in the assessed valuation over 15 percent. Additionally, when provided a draft of this letter for review, the STC indicated it reviewed and discussed the draft and had no changes regarding the findings of fact;<sup>5</sup> and provided an additional case<sup>6</sup> to review in which it also concluded that the assessed valuation increase over 15 percent was negated by the Assessor's failure to prove<sup>7</sup> compliance with Sections 137.115.10 through 12, RSMo.

#### Inaccurate and Untimely Interior Inspection Notices

The notices sent by the AD did not accurately describe the right to an inspection, and also did not provide taxpayers sufficient time to request an interior inspection and consider the information provided by the inspection when determining whether to request a Board of Equalization appeal. Neither letter accurately reflected the taxpayers' rights regarding an interior inspection. The April notice stated, "you have the right to request an interior inspection if: (1) your value increased by 15% or more; (2) your home is not new construction and valued for the first time; and/or (3) you have not made any improvements." The June general assessment notice indicated taxpayers "may" have a right to inspection if certain conditions were met, one being they had not made any improvements. However, the statute indicates taxpayers are entitled to request an interior inspection if the value increased by more than 15 percent since the last assessment, excluding increases due to new construction or improvements. Doing an improvement alone would not nullify a taxpayer's right to this inspection, so long as the value increase of more than 15 percent excludes the value of those improvements.

As noted previously, beginning in April 2023, the AD notified some taxpayers with assessed valuation increases over 15 percent that they could request an interior inspection. However, these letters were only prepared for approximately 25 percent<sup>8</sup> of the applicable parcels that required notification. The AD informed the majority of taxpayers of the right to an interior inspection in the general assessment letters that it only sent to its mailing vendor by May 31 or June 15. These letters indicated the property owner had to request a Board of Equalization appeal of the valuation by July 10, 2023.<sup>9</sup> As a result, property owners

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<sup>4</sup> *Cameron Walker v. Gail McCann Beatty, Assessor, Jackson County, Missouri*, Appeal No. 21-30073, issued October 7, 2022; and *Rusty Parker v. Eric Dugal, Assessor, St Francois County, Missouri*, Appeal No. 21-84001, issued April 22, 2022.

<sup>5</sup> The Commission provided the following statement: *"The STC agrees with the Auditor's summary of the serious problems with the Jackson County 2023 assessment as described in this initial report. However, the Auditor's suggested remedies contained in this initial report are those of the Auditor alone. The STC is a quasi-judicial administrative agency within the executive branch. The STC is authorized by the Missouri Constitution and the Revised Statutes of Missouri to determine the outcome of cases before the STC's administrative tribunal on a case-by-case basis through the application of law to facts in evidence."*

<sup>6</sup> *Christopher and Sarah Slusser v. Jake Zimmerman, Assessor, St. Louis County, Missouri*, Appeal No. 17-10066, issued January 8, 2019.

<sup>7</sup> Section 138.060.1, RSMo, states that the property owner shall prevail on the appeal as a matter of law in the event the assessor fails to provide sufficient evidence to establish that the physical inspection was performed in accordance with Section 137.115, RSMo.

<sup>8</sup> Based on 50,000 letters out of the approximately 200,000 parcels that required notification.

<sup>9</sup> On July 9, 2023, the AD extended this date to July 31, 2023.

had little or no opportunity to schedule and receive an interior inspection and to consider the information before the deadline. This limits the property owner's access to the due process afforded by statute.

### **Overall Analysis of Deficiencies and Noncompliance**

The Jackson County AD failed to provide property owners whose properties' assessed valuations increased over 15 percent adequate notification of their rights regarding physical inspections, and what notification was given was inaccurate and often untimely. As a result, the AD did not comply with the provisions of Section 137.115.11 and any residential real property assessed valuation increase over 15 percent is likely invalid. The Jackson County Legislature, County Executive, and Assessor should determine what remedies are available, such as limiting 2023 assessed valuation increases to 15 percent, using prior year assessed valuations, or allowing additional appeals and/or tax protests; then notify taxpayers of these remedies, and allow adequate time for the taxpayers to pursue such remedies. In addition, as recommended in our report *Jackson County Departmental and Other County Policies and Procedures*, Report No. 2021-001, issued in January 2021, the County Legislature and County Executive should closely monitor the biennial reassessment process both in the immediate and future years. This should include ensuring any outsourcing of the assessment process includes provisions for compliance with all statutory requirements and/or ensuring AD staff are properly educated on the requirements, and resources are available to comply with statute.

The State Auditor's Office will continue to review the issues noted in this letter as part of an audit of the Jackson County Assessment Department and assessment process and will issue a subsequent report with its findings, conclusions, and recommendations.

A handwritten signature in black ink, reading "Scott Fitzpatrick". The signature is stylized, with a large "S" and "F".

Scott Fitzpatrick  
State Auditor

Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information necessary for this notice has been redacted.



## JACKSON COUNTY Assessment Department

Jackson County Courthouse  
415 East 12th Street, First Floor Mezzanine  
Kansas City, Missouri 64106  
[www.jacksongov.org](http://www.jacksongov.org)

(816) 881-3530  
Fax: (816) 881-1388

April 20, 2023

RE: Estimate of 2023 Residential Value and Interior Inspection Notice

Parcel:

SITUS:

Your real property has been reassessed as required by Missouri Statutes. Market value represents an estimate of value as of January 1, 2023. The final estimate of value will not be effective until the assessment roll is certified on July 1, 2023. If you disagree with the **2023 value** stated below, you may request a review of that valuation online at <https://jacksongov.org/Government/Departments/Assessment>. You may also request a review by calling 1-877-895-9675.

2022 MARKET VALUE	2023 MARKET VALUE
\$ 376,000	\$ 561,800

The percent change from 2022 to 2023: 49.41 %

Reassessment of your property included an exterior physical inspection. You have the right to request an interior inspection if: (1) your value increased by 15% or more; (2) your home is not new construction and valued for the first time; and/or (3) you have not made improvements.

An interior inspection may be requested at <https://jacksongov.org/Government/Departments/Assessment> within thirty days. You may also request an interior inspection by calling 1-877-895-9675 within thirty days.



Frank White, Jr., County Executive



## 2023 Reassessment Notice

### ASSESSMENT DEPARTMENT

Jackson County Courthouse  
415 East 12<sup>th</sup> Street, Suite 1M  
Kansas City, Missouri 64106-2752

Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information necessary for this notice has been redacted.

Your real property has been reassessed as required by Missouri Statutes. Market Value represents an estimate of value as of January 1, 2023. The final estimate of value will not be effective until the assessment roll is certified on July 1, 2023.

Classification	PRIOR YEAR		CURRENT YEAR	
	2022 Market Value	2022 Assessed Value	2023 Market Value	2023 Assessed Value
Agricultural (12%)	\$ 14835	\$ 1780	\$ 4980	\$ 598
Residential (19%)	\$ 46000	\$ 8740	\$ 162020	\$ 30784
Commercial (32%)	\$ 64165	\$ 20533	\$ 0	\$ 0

Reassessment of your property included an exterior physical inspection. Residential properties may have the right to request an interior inspection if the value increased by 15% or more; AND your home is not new construction and valued for the first time or you have not made improvements.

You may file a formal appeal with the Jackson County Board of Equalization (BOE). By state statute, appeals must be submitted on or before the filing deadline, **Monday, July 10, 2023**. The BOE may be reached at 1-816-881-3309.

**BOE Appeals and residential interior inspections may be requested at:** [www.jacksongov.org/boeappeals](http://www.jacksongov.org/boeappeals) or by calling 1-877-895-9675.

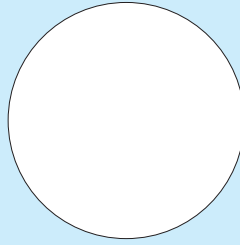
**An appeal to the BOE may result in an increase, a decrease, or no change in valuation.**

**July 10, 2023**

**Deadline for filing an appeal of 2023 valuation to the BOE**

**Market Value X Classification % = Assessed Value X Tax Levy (as determined by City, School District, etc.) = estimated tax bill**

The abated property summary and the complete list of tax abatements will be available for the public's inspection on the county website.



Dear Property Owner:

Sorry we missed you today!

**QR Code  
for Online  
Form**



A representative of the Jackson County Assessment Department was here to gather information for the Jackson County Property Reassessment.

Please complete the self-addressed card with accurate data and return it within 30 days or **visit [jacksongov.org/MyHome](http://jacksongov.org/MyHome)** to use the online form. In the absence of such input from you, we will estimate the interior features.

We appreciate your cooperation.

Jackson County Assessment  
816-881-3530

Parcel Number \_\_\_\_\_

Street Address \_\_\_\_\_

Story Height \_\_\_\_\_ Year Erected (if known) \_\_\_\_\_ Dwelling \_\_\_\_\_ Garage \_\_\_\_\_

#### LIVING ACCOMMODATIONS

Total Rooms (Exclude Bathrooms) \_\_\_\_\_ Bedrooms \_\_\_\_\_

Family Rooms \_\_\_\_\_ Full Baths (3 Fixtures) \_\_\_\_\_ Half Baths (2 Fixtures) \_\_\_\_\_

Other Fixtures \_\_\_\_\_ Please Describe: \_\_\_\_\_

#### BASEMENT (Please Circle Selection)

Slab \_\_\_\_\_ Crawl \_\_\_\_\_ Partial \_\_\_\_\_ Full \_\_\_\_\_ Finished Basement Area: Yes \_\_\_\_\_ No \_\_\_\_\_ Size \_\_\_\_\_

#### ATTIC - Must Have A Permanent Stairway (Please Circle Selection)

None \_\_\_\_\_ Unfinished \_\_\_\_\_ Partial Finished \_\_\_\_\_ Full Finished \_\_\_\_\_

#### HEATING/AIR CONDITIONING (Please Circle Selection)

None \_\_\_\_\_ Unit \_\_\_\_\_ Central \_\_\_\_\_ Central w/Air \_\_\_\_\_

#### HEATING FUEL TYPE (Please Circle Selection)

Gas \_\_\_\_\_ Electric \_\_\_\_\_ Oil \_\_\_\_\_ Coal \_\_\_\_\_ Solar \_\_\_\_\_ Wood \_\_\_\_\_ Propane \_\_\_\_\_ None \_\_\_\_\_

#### HEATING SYSTEM TYPE (Please Circle Selection)

Forced Hot Air \_\_\_\_\_ Floor Furnace \_\_\_\_\_ Electric Baseboard \_\_\_\_\_  
Hot Water \_\_\_\_\_ Steam Radiant \_\_\_\_\_ Heat Pump \_\_\_\_\_ Solar \_\_\_\_\_

#### WOOD BURNING FIREPLACE(S)

Number \_\_\_\_\_ Stacks \_\_\_\_\_ Openings \_\_\_\_\_

#### REMODELING AND MODERNIZATION

Exterior \_\_\_\_\_ Additions \_\_\_\_\_ Plumbing \_\_\_\_\_

Interior \_\_\_\_\_ Bathroom \_\_\_\_\_ Electric/Heat/Air Cond. \_\_\_\_\_

Remodeling Cost \_\_\_\_\_

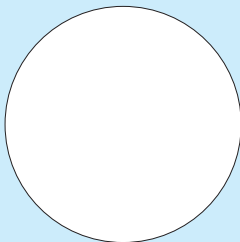
#### DATE OF ACQUISITION (if after 01/01/2018)

Property was purchased (mo/yr) \_\_\_\_\_ at a purchase price of \$ \_\_\_\_\_

New buildings have been erected (after/before) purchase date at a construction cost of \$ \_\_\_\_\_ for a (describe building erected) \_\_\_\_\_

**SIGNATURE** \_\_\_\_\_

**DAYTIME PHONE #** \_\_\_\_\_



*place  
indicia  
here*

Return Address  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**Jackson County Assessment Department**  
415 East 12th Street  
Kansas City, MO 64106



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of DeKalb County, Missouri

The Office of the State Auditor contracted for an audit of DeKalb County's financial statements for the 2 years ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive style with a large, stylized "S" and "F".

Scott Fitzpatrick  
State Auditor

December 2023  
Report No. 2023-085





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**Recommendations in the audit of Dekalb County**

2022-001	The county adopt an investment policy and review compliance with this policy at least annually as required by state statute.
2022-002	The county refrain from approving expenditures in excess of budgeted amounts. In the event that the originally adopted budget is inadequate to fund the current-year unforeseen expenditures, budgetary amendments should be discussed in a public meeting and formally adopted by the County Commission.
2022-003	The county implement internal controls to ensure that the Schedule of Expenditures of Federal Awards completely and accurately states the expenditures of federal awards of the county each year.



ANNUAL FINANCIAL REPORT

**DEKALB COUNTY, MISSOURI**

For the Years Ended  
December 31, 2022 and 2021

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

# DEKALB COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

DEKALB COUNTY, MISSOURI  
List of Elected Officials 2021-2022

*County Commission*

Presiding Commissioner – Kyle Carroll  
Commissioner, Western District – Kyle White  
Commissioner, Eastern District – Chet Owen

*Other Elected Officials*

Assessor – Tanya Zimmerman  
Circuit Clerk – Julie Whitsell  
Collector/Treasurer – Jessica Lee  
County Clerk – Melissa (Missy) Meek  
Coroner – Heath Turner  
Prosecuting Attorney – Eric C. Tate  
Public Administrator – Connie Bray  
Recorder – JoAnn Marshall  
Sheriff – Kasey Keesaman

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of DeKalb County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of DeKalb County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of DeKalb County, Missouri, as of December 31, 2022 and 2021, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of DeKalb County, Missouri, as of December 31, 2022 and 2021, or the changes in financial position thereof for the years then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of DeKalb County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by DeKalb County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about DeKalb County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise DeKalb County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 28, 2023, on our consideration of DeKalb County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of DeKalb County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 28, 2023



DEKALB COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund	Cash and Investments January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Investments December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Investments December 31, 2022
	\$	\$	\$	\$	\$	\$	\$
General Revenue	557,571	1,844,442	1,803,129	598,884	4,129,501	4,444,973	283,412
Special Road & Bridge	2,041,242	1,466,551	1,318,996	2,188,797	973,759	891,517	2,271,039
Assessment	222,054	281,194	266,188	237,060	284,481	254,704	266,837
Bond Forfeiture	1	21,227	21,208	20	602	622	-
Collector Maintenance	28,419	20,164	16,429	32,154	18,148	25,306	24,996
Election	36,558	1,537	36,125	1,970	163,492	133,880	31,582
Emergency Management	40,289	53,326	34,713	58,902	56,807	44,769	70,940
Capital Improvement	-	1,012,344	1,012,344	-	1,021,062	1,021,062	-
Law Enforcement Restitution	5	-	-	5	50	-	55
Local Use Tax	173,951	215,522	126,178	263,295	273,824	122,533	414,586
Nursing Home Sales Tax	300,243	36,674	17,255	319,662	30,341	10,133	339,870
Prosecuting Attorney Training	1,826	1,565	-	3,391	1,058	-	4,449
PA Collections Delinquent Tax	4,283	30	-	4,313	36	-	4,349
Prosecuting Attorney Bad Check	10,992	2,844	4,434	9,402	3,177	-	12,579
Recorder	4,135	4,158	3,374	4,919	3,625	1,393	7,151
Sheriff CCW	11,250	14,884	3,573	22,561	4,855	8,446	18,970
Sheriff Civil Fees	13,077	12,295	5,496	19,876	8,234	6,307	21,803
Sheriff Law Enforcement Training	-	1,730	-	1,730	1,431	475	2,686
Technical Assistance	1,765	2,963	-	4,728	2,419	-	7,147
Cemeteries	47,449	317	5,775	41,991	319	11,130	31,180
Veterans Memorial	52	-	-	52	1	-	53
Victim Service Grant (VOCA)	-	43,741	43,741	-	46,046	46,046	-
Victims of Domestic Violence	493	524	968	49	450	499	-
Sheriff IPDS	-	2,681	-	2,681	2,590	-	5,271
Law Enforcement Sales Tax	111,100	846,450	791,201	166,349	888,173	926,942	127,580
Law Library	10,166	5,501	3,979	11,688	3,927	3,986	11,629
ACCD 911 Board	426,051	1,565,679	666,052	1,325,678	927,631	1,726,547	526,762
Senior Services Board	32,897	63,060	62,607	33,350	63,795	63,348	33,797
CARES Act	65,736	40	65,776	-	-	-	-
Senate Bill 40 Board	261,987	270,146	301,574	230,559	320,310	310,599	240,270
ARPA	-	1,219,315	118,019	1,101,296	1,219,539	2,320,835	-
Total	4,403,592	9,010,904	6,729,134	6,685,362	10,449,683	12,376,052	4,758,993

The accompanying Notes to the Financial Statements are an integral part of this statement.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND				
Year Ended December 31,				
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 358,850	\$ 277,677	\$ 307,750	\$ 275,925
Sales taxes	750,000	829,231	830,000	828,568
Intergovernmental	90,110	116,306	113,370	84,306
Charges for services	427,070	476,945	471,225	464,202
Interest	8,700	6,101	6,200	5,163
Other	77,000	65,349	2,564,145	2,418,692
Transfers in	106,000	72,833	75,000	52,645
Total Receipts	<u>\$ 1,817,730</u>	<u>\$ 1,844,442</u>	<u>\$ 4,367,690</u>	<u>\$ 4,129,501</u>
DISBURSEMENTS				
County Commission	\$ 99,918	\$ 100,016	\$ 112,527	\$ 109,527
County Clerk	96,106	96,207	101,701	102,639
Elections	40,000	-	105,000	-
Buildings and grounds	192,128	151,414	2,779,398	2,556,157
Employee fringe benefits	278,850	315,563	346,500	363,504
Treasurer	131,162	123,865	138,835	129,954
Collector	-	-	-	-
Recorder of Deeds	91,871	92,074	102,163	98,595
Circuit Clerk	39,385	30,043	40,650	41,203
Court administration	-	-	-	-
Public Administrator	22,475	23,492	23,700	23,364
Sheriff	504,362	445,040	545,830	465,748
Prosecuting Attorney	106,737	106,411	107,308	103,498
Juvenile Officer	44,362	41,615	51,608	41,481
Coroner	31,629	26,501	29,992	36,995
Other County government	187,328	191,283	191,280	210,308
Health and welfare	16,500	16,500	12,500	12,500
Transfers out	43,105	43,105	44,500	149,500
Emergency fund	54,232	-	131,100	-
Total Disbursements	<u>\$ 1,980,150</u>	<u>\$ 1,803,129</u>	<u>\$ 4,864,592</u>	<u>\$ 4,444,973</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (162,420)	\$ 41,313	\$ (496,902)	\$ (315,472)
CASH AND INVESTMENTS, JANUARY 1	<u>557,571</u>	<u>557,571</u>	<u>598,884</u>	<u>598,884</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 395,151</u></u>	<u><u>\$ 598,884</u></u>	<u><u>\$ 101,982</u></u>	<u><u>\$ 283,412</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

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DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	BOND FORFEITURE FUND			COLLECTOR MAINTENANCE FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	6	27	30	2	16,000	19,929
Other	700	21,200	25,000	600	350	235
Transfers in	-	-	-	-	100	-
Total Receipts	\$ 706	\$ 21,227	\$ 25,030	\$ 602	\$ 16,450	\$ 20,164
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 2,001	\$ 2,000
Employee fringe benefits	-	-	-	-	4,500	-
Materials and supplies	-	-	-	-	6,000	1,673
Services and other	706	21,208	25,000	622	12,000	9,020
Capital outlay	-	-	-	-	4,600	3,736
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 706	\$ 21,208	\$ 25,000	\$ 622	\$ 29,101	\$ 16,429
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ 19	\$ 30	\$ (20)	\$ (12,651)	\$ 3,735
CASH AND INVESTMENTS, JANUARY 1	1	1	20	20	28,419	28,419
CASH AND INVESTMENTS, DECEMBER 31	\$ 1	\$ 20	\$ 50	\$ -	\$ 15,768	\$ 32,154

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ELECTION FUND			EMERGENCY MANAGEMENT FUND		
	Year Ended December 31,		2022	Year Ended December 31,		2022
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	1,409	-	10,015	-	9,000
Charges for services	-	-	-	-	-	-
Interest	275	128	130	206	200	645
Other	20,000	-	1,500	-	12,500	2,662
Transfers in	40,000	-	105,000	43,105	44,500	44,500
Total Receipts	\$ 60,275	\$ 1,537	\$ 106,630	\$ 53,326	\$ 57,200	\$ 56,807
<b>DISBURSEMENTS</b>						
Salaries	\$ 6,075	\$ 6,075	\$ 6,075	\$ 30,200	\$ 30,510	\$ 30,510
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	20,500	13,119	51,500	2,110	1,110	1,082
Services and other	13,600	7,181	18,300	7,700	3,200	8,863
Capital outlay	-	9,750	30,000	20,000	-	4,314
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 40,175	\$ 36,125	\$ 105,875	\$ 60,010	\$ 34,713	\$ 44,769
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 20,100	\$ (34,588)	\$ 755	\$ 1,200	\$ 18,613	\$ 12,038
<b>CASH AND INVESTMENTS, JANUARY 1</b>	36,558	36,558	1,970	40,289	58,902	58,902
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 56,658	\$ 1,970	\$ 2,725	\$ 41,489	\$ 81,282	\$ 70,940

The accompanying Notes to the Financial Statements are an integral part of these statements.

## DEKALB COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	CAPITAL IMPROVEMENT FUND			LAW ENFORCEMENT RESTITUTION FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Budget	Actual	Budget
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	725,000	829,231	830,000	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	600	717	800	-	-	-
Other	-	-	-	2	-	50
Transfers in	310,000	182,396	300,000	-	-	-
Total Receipts	\$ 1,035,600	\$ 1,012,344	\$ 1,130,800	\$ 2	\$ -	\$ 50
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	-	-	-	-	-	-
Capital outlay	1,035,595	1,002,321	1,113,000	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	10,023	-	-	-	-
Total Disbursements	\$ 1,035,595	\$ 1,012,344	\$ 1,113,000	\$ -	\$ -	\$ -
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ -	\$ -	\$ 17,800	\$ 2	\$ -	\$ 50
<b>CASH AND INVESTMENTS, JANUARY 1</b>	-	-	-	5	5	5
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ -	\$ -	\$ 17,800	\$ 7	\$ 5	\$ 55

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LOCAL USE TAX FUND			NURSING HOME SALES TAX FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	175,000	214,418	200,000	69	-	70
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	850	1,104	1,000	3,200	2,174	2,771
Other	-	-	-	33,000	34,500	27,500
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 175,850	\$ 215,522	\$ 201,000	\$ 36,269	\$ 36,674	\$ 30,341
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	-	126,178	-	33,000	17,255	10,133
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	130,000	-	130,000	-	-	-
Total Disbursements	\$ 130,000	\$ 126,178	\$ 130,000	\$ 33,000	\$ 17,255	\$ 10,133
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 45,850	\$ 89,344	\$ 71,000	\$ 3,269	\$ 19,419	\$ 20,208
<b>CASH AND INVESTMENTS, JANUARY 1</b>	173,951	173,951	263,295	300,243	300,243	319,662
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 219,801	\$ 263,295	\$ 334,295	\$ 303,512	\$ 319,662	\$ 339,870

The accompanying Notes to the Financial Statements are an integral part of these statements.

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DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY BAD CHECK FUND			RECORDER FUND			
	Year Ended December 31,			Year Ended December 31,			
	2021	2022		2021	2022		
	Budget	Actual	Budget	Actual	Budget	Actual	
<b>RECEIPTS</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	4,000	2,770	2,000	3,087	3,180	4,124	3,574
Interest	-	74	75	90	20	34	51
Other	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ 4,000	\$ 2,844	\$ 2,075	\$ 3,177	\$ 3,200	\$ 4,158	\$ 3,625
<b>DISBURSEMENTS</b>							
Salaries	\$ -	\$ 4,434	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	5,705	-	-
Services and other	5,000	-	-	-	1,630	1,805	739
Capital outlay	-	-	-	-	-	1,569	654
Construction	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	\$ 5,000	\$ 4,434	\$ -	\$ -	\$ 7,335	\$ 3,374	\$ 1,393
<b>RECEIPTS OVER (UNDER)</b>							
DISBURSEMENTS	\$ (1,000)	\$ (1,590)	\$ 2,075	\$ 3,177	\$ (4,135)	\$ 784	\$ 2,232
<b>CASH AND INVESTMENTS,</b>							
<b>JANUARY 1</b>	10,992	10,992	9,402	9,402	4,135	4,135	4,919
<b>CASH AND INVESTMENTS,</b>							
<b>DECEMBER 31</b>	\$ 9,992	\$ 9,402	\$ 11,477	\$ 12,579	\$ -	\$ 4,919	\$ 7,151

The accompanying Notes to the Financial Statements are an integral part of these statements.

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF LAW ENFORCEMENT TRAINING FUND				TECHNICAL ASSISTANCE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,260	1,226	1,500	966	-	-	-	-
Charges for services	-	-	-	-	2,100	2,942	3,200	2,370
Interest	-	4	5	14	20	21	22	49
Other	500	500	500	451	-	-	-	-
Transfers in	600	-	-	-	-	-	-	-
Total Receipts	\$ 2,360	\$ 1,730	\$ 2,005	\$ 1,431	\$ 2,120	\$ 2,963	\$ 3,222	\$ 2,419
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	1,500	475	3,885	-	7,949	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ 1,500	\$ 475	\$ 3,885	\$ -	\$ 7,949	\$ -
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 2,360	\$ 1,730	\$ 505	\$ 956	\$ (1,765)	\$ 2,963	\$ (4,727)	\$ 2,419
<b>CASH AND INVESTMENTS, JANUARY 1</b>	-	-	1,730	1,730	1,765	1,765	4,728	4,728
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 2,360	\$ 1,730	\$ 2,235	\$ 2,686	\$ -	\$ 4,728	\$ 1	\$ 7,147

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	CEMETERIES FUND			VETERANS MEMORIAL FUND			
	Year Ended December 31,			Year Ended December 31,			
	2021	2022		2021	2022		
	Budget	Actual	Budget	Actual	Budget	Actual	Budget
RECEIPTS							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Interest	538	317	311	319	1	1	1
Other	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ 538	\$ 317	\$ 311	\$ 319	\$ 1	\$ 1	\$ 1
DISBURSEMENTS							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-
Services and other	4,850	5,775	6,280	11,130	-	-	-
Capital outlay	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	\$ 4,850	\$ 5,775	\$ 6,280	\$ 11,130	\$ -	\$ -	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (4,312)	\$ (5,458)	\$ (5,969)	\$ (10,811)	\$ 1	\$ 1	\$ 1
CASH AND INVESTMENTS, JANUARY 1	47,449	47,449	41,991	41,991	52	52	52
CASH AND INVESTMENTS, DECEMBER 31	\$ 43,137	\$ 41,991	\$ 36,022	\$ 31,180	\$ 53	\$ 52	\$ 53

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	VICTIM SERVICE GRANT (VOCA) FUND			VICTIMS OF DOMESTIC VIOLENCE FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021		2022	2021		2022
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	44,000	38,675	-	-	-	-
Charges for services	-	-	-	550	522	600
Interest	-	-	-	3	2	3
Other	-	-	-	-	-	-
Transfers in	1,600	5,066	-	-	-	-
Total Receipts	\$ 45,600	\$ 43,741	\$ -	\$ 553	\$ 524	\$ 603
						\$ 450
<b>DISBURSEMENTS</b>						
Salaries	\$ 36,000	\$ 35,908	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	8,145	7,658	-	-	-	-
Materials and supplies	500	-	-	-	-	-
Services and other	950	175	-	1,044	968	603
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 45,595	\$ 43,741	\$ -	\$ 1,044	\$ 968	\$ 603
						\$ 499
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 5	\$ -	\$ -	\$ (491)	\$ (444)	\$ -
<b>CASH AND INVESTMENTS, JANUARY 1</b>	-	-	-	493	493	49
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 5	\$ -	\$ -	\$ 2	\$ 49	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF IPDS FUND			LAW ENFORCEMENT SALES TAX FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	720,000	800,000	827,762
Intergovernmental	-	-	-	-	-	-
Charges for services	2,520	2,673	2,674	-	-	-
Interest	60	8	30	1,300	1,300	1,103
Other	-	-	-	-	15,100	13,262
Transfers in	-	-	-	-	10,600	46,046
Total Receipts	\$ 2,580	\$ 2,681	\$ 2,682	\$ 721,300	\$ 827,000	\$ 888,173
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ 343,350	\$ 330,595	\$ 458,129
Employee fringe benefits	-	-	-	124,700	110,139	161,299
Materials and supplies	-	-	-	6,600	7,959	5,812
Services and other	-	-	-	131,900	62,257	85,150
Capital outlay	-	-	-	218,836	275,185	216,552
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	5,066	-
Total Disbursements	\$ -	\$ -	\$ -	\$ 825,386	\$ 791,201	\$ 926,942
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 2,580	\$ 2,681	\$ 2,682	\$ (104,086)	\$ 55,249	\$ (38,769)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	-	-	2,681	111,100	166,349	166,349
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 2,580	\$ 2,681	\$ 5,363	\$ 7,014	\$ 5,404	\$ 127,580

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LAW LIBRARY FUND			ACCD 911 BOARD FUND			
	Year Ended December 31,			2021		2022	
	Budget	Actual	Budget	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	875,000	-	250,000
Charges for services	4,000	5,501	4,500	607,000	685,829	1,095,119	668,441
Interest	-	-	-	3,950	4,850	5,500	9,190
Other	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ 4,000	\$ 5,501	\$ 4,500	\$ 610,950	\$ 1,565,679	\$ 1,100,619	\$ 927,631
<b>DISBURSEMENTS</b>							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-
Materials and supplies	3,500	3,979	4,000	15,300	371	500	15
Services and other	-	-	-	394,310	422,588	1,595,560	1,631,155
Capital outlay	2,000	-	-	200,000	243,093	100,000	95,377
Construction	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	\$ 5,500	\$ 3,979	\$ 4,000	\$ 609,610	\$ 666,052	\$ 1,696,060	\$ 1,726,547
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (1,500)	\$ 1,522	\$ 500	\$ 1,340	\$ 899,627	\$ (595,441)	\$ (798,916)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	10,166	10,166	11,688	426,051	426,051	1,325,678	1,325,678
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 8,666	\$ 11,688	\$ 12,188	\$ 427,391	\$ 1,325,678	\$ 730,237	\$ 526,762

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SENIOR SERVICES BOARD FUND			CARES ACT FUND			
	Year Ended December 31,			Year Ended December 31,		2022	
	2021	2022		2021	2022	Budget	Actual
	Budget	Actual	Budget	Actual	Budget	Actual	
<b>RECEIPTS</b>							
Property taxes	\$ 55,519	\$ 62,980	\$ 57,149	\$ 63,712	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	1,472,013	-	-
Charges for services	-	-	-	-	-	-	-
Interest	75	80	80	83	344	40	-
Other	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total Receipts	<u>\$ 55,594</u>	<u>\$ 63,060</u>	<u>\$ 57,229</u>	<u>\$ 63,795</u>	<u>\$ 1,472,357</u>	<u>\$ 40</u>	<u>\$ -</u>
<b>DISBURSEMENTS</b>							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-
Services and other	55,594	62,607	57,229	63,348	66,080	65,776	-
Capital outlay	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 55,594</u>	<u>\$ 62,607</u>	<u>\$ 57,229</u>	<u>\$ 63,348</u>	<u>\$ 66,080</u>	<u>\$ 65,776</u>	<u>\$ -</u>
<b>RECEIPTS OVER (UNDER)</b>							
DISBURSEMENTS	\$ -	\$ 453	\$ -	\$ 447	\$ 1,406,277	\$ (65,736)	\$ -
<b>CASH AND INVESTMENTS,</b>							
<b>JANUARY 1</b>	<u>32,897</u>	<u>32,897</u>	<u>33,350</u>	<u>33,350</u>	<u>65,736</u>	<u>-</u>	<u>-</u>
<b>CASH AND INVESTMENTS,</b>							
<b>DECEMBER 31</b>	<u>\$ 32,897</u>	<u>\$ 33,350</u>	<u>\$ 33,350</u>	<u>\$ 33,797</u>	<u>\$ 1,472,013</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



DEKALB COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SENATE BILL 40 BOARD FUND				ARPA FUND			
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ 170,000	\$ 188,299	\$ 175,000	\$ 190,703	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	80,000	80,749	70,000	129,151	-	1,218,554	1,218,554	1,218,554
Charges for services	-	-	-	-	-	-	-	-
Interest	500	461	500	456	-	761	600	985
Other	-	637	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 250,500	\$ 270,146	\$ 245,500	\$ 320,310	\$ -	\$ 1,219,315	\$ 1,219,154	\$ 1,219,539
<b>DISBURSEMENTS</b>								
Salaries	\$ 105,560	\$ 88,942	\$ 110,000	\$ 102,602	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	24,700	11,479	25,725	14,950	-	-	-	-
Materials and supplies	12,050	3,205	12,750	2,633	-	-	-	-
Services and other	295,475	197,948	273,775	190,414	-	118,019	2,320,347	2,320,835
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 437,785	\$ 301,574	\$ 422,250	\$ 310,599	\$ -	\$ 118,019	\$ 2,320,347	\$ 2,320,835
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (187,285)	\$ (31,428)	\$ (176,750)	\$ 9,711	\$ -	\$ 1,101,296	\$ (1,101,193)	\$ (1,101,296)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	261,987	261,987	230,559	230,559	-	-	1,101,296	1,101,296
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 74,702	\$ 230,559	\$ 53,809	\$ 240,270	\$ -	\$ 1,101,296	\$ 103	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

DEKALB COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund/Account	Cash and Cash Equivalents January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Cash Equivalents December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Cash Equivalents December 31, 2022
Treasurer Surplus Tax	\$ 18,867	\$ 4,231	\$ 1,758	\$ 21,340	\$ 23,369	\$ 4,879	\$ 39,830
Treasurer Fines	72,309	72,688	72,254	72,743	60,380	72,787	60,336
Treasurer Prosecuting Attorney MOPS	10	280	290	-	315	315	-
Treasurer Sheriff DSSSG	610	3,790	4,400	-	4,340	4,340	-
Treasurer Retirement (CERF)	-	115,853	115,853	-	109,765	109,765	-
Treasurer Unclaimed Fees	-	-	-	-	20	20	-
Treasurer Board Bill	-	293,369	293,369	-	90,366	90,366	-
Treasurer ACCD 911	-	7,725	7,725	-	7,280	7,280	-
Collector's Main Account	12,201,980	14,809,772	14,817,389	12,194,363	15,577,652	14,928,551	12,843,464
Collector Funds Held	3,411	22,100	23,198	2,313	16,632	13,050	5,895
Collector Protest	5	-	-	5	37,723	37,713	15
County Clerk's Elections	14,190	33,324	17,240	30,274	71,465	90,124	11,615
Recorder's Record	6,031	80,067	79,091	7,007	62,963	66,290	3,680
Recorder Xerox Fund	3,370	20,935	23,408	897	25,874	23,885	2,886
Sheriff Trust	7,466	185,240	189,295	3,411	172,365	173,120	2,656
Sheriff Junior Deputy Program	6,449	1,498	438	7,509	1,275	358	8,426
Sheriff Shop for Cops Account	5,453	-	5,453	-	-	-	-
Prosecuting Attorney	758	31,281	29,102	2,937	24,679	27,056	560
Public Administrator	239,842	370,630	313,922	296,550	189,291	370,960	114,881
Total	<u>\$ 12,580,751</u>	<u>\$ 16,052,783</u>	<u>\$ 15,994,185</u>	<u>\$ 12,639,349</u>	<u>\$ 16,475,754</u>	<u>\$ 16,020,859</u>	<u>\$ 13,094,244</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

DEKALB COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DeKalb County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are nine elected Constitutional Officers: Assessor, Circuit Clerk, Collector/Treasurer, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder and Sheriff.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of DeKalb County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law. The ARPA Fund did not have a formal budget adopted for 2021.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following funds:

	2022	2021
Bond Forfeiture Fund	N/A	✓
Election Fund	✓	N/A
Emergency Management Fund	✓	N/A
Cemeteries Fund	✓	✓
Victim Service Grant (VOCA) Fund	✓	N/A
ACCD 911 Board Fund	✓	✓
Senior Services Board Fund	✓	✓
ARPA Fund	✓	✓

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022 and 2021, for purposes of taxation were:

	2022	2021
Real Estate	\$ 163,253,940	\$ 154,111,560
Personal Property	52,558,236	43,502,732
Railroad and Utilities	20,869,193	19,560,313
Total	<u>\$ 236,681,369</u>	<u>\$ 217,174,605</u>

For calendar years 2022 and 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022	2021
General Revenue	0.1232	0.1232
Senate Bill 40 Board	0.0881	0.0881
Senior Services Board	0.0294	0.0294

#### F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

## G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 4,611,328	\$ 4,647,128	\$ 548,962
Investments - Governmental Funds	147,665	147,665	147,665
Total Governmental Funds	<u>\$ 4,758,993</u>	<u>\$ 4,794,793</u>	<u>\$ 696,627</u>
 Cash and Cash Equivalents - Fiduciary Funds	 <u>\$ 13,094,244</u>	 <u>\$ 9,638,571</u>	 <u>\$ 167,593</u>

At December 31, 2021, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 6,538,923	\$ 6,659,233	\$ 527,250
Investments - Governmental Funds	146,439	146,439	146,439
Total Governmental Funds	<u>\$ 6,685,362</u>	<u>\$ 6,805,672</u>	<u>\$ 673,689</u>
 Cash and Cash Equivalents - Fiduciary Funds	 <u>\$ 12,639,349</u>	 <u>\$ 11,960,620</u>	 <u>\$ 570,096</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 and 2021 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

### 3. COUNTY EMPLOYEES' RETIREMENT PLANS

#### A. Missouri Local Government Employees Retirement System (LAGERS)

##### 1) Plan Description

DeKalb County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

##### 2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

##### 3) Funding Policy

Full-time employees of DeKalb County do not contribute to the pension plan. The January 1st statutorily required contribution rates were 8.2% and 8.6% (General), and 7.8% and 6.8% (Police) of annual covered payroll for 2022 and 2021 respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the years ended December 31, 2022 and 2021, the County contributed \$130,108 and \$119,042 to LAGERS.

#### B. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

##### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires



the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. During 2022 and 2021, the County made employer contributions to CERF of \$54,689 and \$49,272, respectively. The County collected and remitted to CERF employee withholdings of \$109,765 and \$115,853, respectively, for the years then ended.

## C. Other Retirement Plan

DeKalb County offers employees the opportunity to participate in the CERF defined contribution plan and Internal Revenue Code (IRC) Section 457 deferred compensation plan. The plan's provisions and contribution requirements were established by and may be amended only by the Missouri General Assembly. Pension plan members are eligible to participate. During 2022 and 2021 the County collected and remitted to the Section 457 Plan third-party administrator employee withholdings collected of \$31,577 and \$26,349, respectively.



#### D. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$11,628 each year for the years ended December 31, 2022 and 2021.

#### 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

#### 5. CLAIMS, COMMITMENT AND CONTINGENCIES

##### A. Compensated Absences

The County provides full-time employees with up to 90 days of sick time – to accrue at one and one quarter days per complete calendar month of employment. Unused sick leave benefits will not be paid to employees upon termination of employment. Employees with one to nine year(s) of service accumulate annual leave at one and one quarter days per month, up to a maximum of 15 days. Employees with 10 to 14 years of service accumulate annual leave at one and one half days per month, up to a maximum of 20 days. Employees with 15 or more years of service accumulate annual leave at one and three quarters days per month, up to a maximum of 25 days. Annual leave may be carried forward from year to year up to the maximum amounts noted above. Upon termination of employment, employees will be paid for unused annual leave time that has been earned through the last day of work.

##### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

#### 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

On August 8, 2013, the County entered into an agreement with UMB Bank for Certificates of Participation to make improvements to the Courthouse in the amount of \$1,355,000 to be paid in full by March 1, 2028. On August 1, 2020 the County refinanced the loan with Security Bank of Kansas City in the amount of \$830,000. Principal is paid annually on March 1<sup>st</sup> and the interest is paid semi-annually on March 1<sup>st</sup> and September 1<sup>st</sup> of each year to be paid in full by March 1, 2027.

<u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 119,000	\$ 5,375	\$ 124,375
2024	123,000	4,165	127,165
2025	116,000	2,970	118,970
2026	118,000	1,800	119,800
2027	121,000	605	121,605
Totals	<u>\$ 597,000</u>	<u>\$ 14,915</u>	<u>\$ 611,915</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

<u>Description</u>	<u>Balance</u> <u>12/31/2021</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/2022</u>	<u>Interest</u> <u>Paid</u>
Courthouse Loan	\$ 713,000	\$ -	\$ (116,000)	\$ 597,000	\$ 6,550

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

<u>Description</u>	<u>Balance</u> <u>12/31/2020</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/2021</u>	<u>Interest</u> <u>Paid</u>
Courthouse Loan	\$ 830,000	\$ -	\$ (117,000)	\$ 713,000	\$ 7,830

## 8. SHORT-TERM DEBT

On May 12, 2022, the County approved the issuance of up to \$2,500,000 in a Tax Anticipation Note through Independent Farmers Bank to finance the cost of renovations to the Courthouse and Nursing Home. The note was secured through pledging 2023 tax revenue. The loan maturity is one year from the date of origination at a 3% interest rate.

## 9. OPERATING LEASES

At December 31, 2022, the County has two 60-month leases for copiers. The County Clerk and Assessor have 60-month leases through October 2027 with a monthly lease payment of \$150.

Fiscal Year Ending December 31,	Amount
2023	\$ 3,600
2024	3,600
2025	3,600
2026	3,600
2027	3,000

## 10. COOPERATIVE VENTURES

- A. In October 1992, the Counties of Andrew, Clinton, Caldwell and DeKalb and the City of Cameron agreed to establish a venture called ACCD 911, for the purpose of providing 911 emergency telephone services. Pursuant to Section 190.300, RSMo, the voters of the respective government entities involved approved a 15% Emergency Telephone System Tax on local telephone charges to fund the services. Pursuant to the agreement, the ACCD Regional Enhanced 911 System Board was created to be the governing body of the ACCD 911, authorized to enter into contracts, employ staff, hold/dispose of property, and incur debt, with only the ACCD 911 Venture being obligated for the debt incurred.
- B. In May 2005, the County in conjunction with Daviess County, created the Daviess-DeKalb Regional Jail District to house prisoners for the counties as well as other governments on contractual basis. A four-member commission which governs the District is comprised of the presiding commissioners and sheriffs from the two counties. In November 2005, the District voters approved a one-half cent sales tax to provide regional jail services and court facilities and equipment for the two counties. Also in November 2005, the District assumed operations at the jail facility. The counties will share equally in any net operating losses of the regional jail. Neither Daviess nor DeKalb County is obligated for debt incurred by the District.

## 11. SUBSEQUENT EVENTS

On May 12, 2023 the County paid \$2,215,810 in principal and \$2,367 in interest at maturity to Independent Farmers Bank for the Tax Anticipation Note issued May 12, 2022. On May 16, 2023 the County approved the issuance of a new Tax Anticipation Note with Independent Farmers Bank for one year with a principal balance of \$2,215,611 and interest rate at the Wall Street Journal Prime Rate minus 1% adjusting monthly until loan maturity.

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 28, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Commission and  
Officeholders of DeKalb County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of DeKalb County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise DeKalb County, Missouri's basic financial statements and have issued our report thereon dated August 28, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered DeKalb County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of DeKalb County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of DeKalb County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2022-003 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether DeKalb County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002.

## **DeKalb County, Missouri's Response to Findings**

DeKalb County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. DeKalb County, Missouri's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 28, 2023

## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of DeKalb County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited DeKalb County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of DeKalb County, Missouri's major federal programs for the years ended December 31, 2022 and 2021. DeKalb County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, DeKalb County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2022 and 2021.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of DeKalb County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of DeKalb County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to DeKalb County, Missouri's federal programs.



## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on DeKalb County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about DeKalb County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding DeKalb County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of DeKalb County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of DeKalb County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-003 to be a significant deficiency.



Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on DeKalb County, Missouri's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. DeKalb County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*McBride Lock & Associates, LLC*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 28, 2023

DEKALB COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2021	2022
U. S. DEPARTMENT OF JUSTICE				
16.575	Passed through Missouri Department of Public Safety - Crime Victim Assistance		\$ 38,675	\$ 46,046
U. S. DEPARTMENT OF TRANSPORTATION				
20.205	Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO - 032 (38)	177,279	-
U. S. DEPARTMENT OF TREASURY				
21.019	Passed through Missouri State Treasurer - COVID-19 - Coronavirus Relief Fund Direct Program	253-01905	65,796	-
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	n/a	119,019	2,319,835
Election Assistance Commission				
90.401	Passed through Missouri Secretary of State - Help America Vote Act Requirements Payments	n/a	1,409	2,515
U. S. DEPARTMENT OF HOMELAND SECURITY				
97.042	Passed through Missouri Department of Public Safety - Emergency Management Performance Grants	n/a	10,015	9,000
Total Expenditures of Federal Awards			\$ 412,193	\$ 2,377,396

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**DEKALB COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of DeKalb County, Missouri for the years ended December 31, 2022 and 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUBRECIPIENTS**

The County did not pass any federal awards through to subrecipients during the years ended December 31, 2022 and 2021.

DEKALB COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported
- Noncompliance material to financial statements noted?   X   Yes      No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?   X   Yes      No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

## **SECTION II – FINANCIAL STATEMENTS FINDINGS**

### **MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

### **SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

See Finding 2022-003 below.

### **ITEMS OF NONCOMPLIANCE**

#### **2022-001: Absence of Investment Policy**

Criteria: Section 30.950, RSMo, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy.

Condition: The County has not adopted an investment policy as required by state statute.

Cause: The County was unaware of the requirement to adopt a written investment policy.

Effect: Adoption of a written investment policy commits a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation.

Recommendation: We recommend that the County adopt an investment policy and review compliance with this policy at least annually as required by state statute.

County's Response: The Commission will work to adopt the Investment Policy per RSMO 30.950.

Auditor's Evaluation: The response is appropriate to correct the concern.

#### **2022-002: Budgetary Compliance**

Criteria: Section 50.740, RSMo prohibits expenditures in excess of approved budgets.

Condition: Expenditures exceeded budgeted appropriations for multiple funds. A list of the specific funds for each year is included at Note 1.D.10.

Cause: The County did not adequately review and amend budgeted expenditures of each fund to ensure actual expenditures do not exceed budgeted appropriations.

Effect: In order to ensure the integrity of the budgeting process, a formal budget should be adopted for each County fund and the spending limited to that amount.

Recommendation: We recommend the County refrain from approving expenditures in excess of budgeted amounts. In the event that the originally adopted budget is inadequate to fund the current-year unforeseen expenditures, budgetary amendments should be discussed in a public meeting and formally adopted by the County Commission.

County's Response: The County has in the past amended the original budget if it were adequate to fund the budgeted amounts holding a public meeting and formally adopting the amended budget. We will continue to do this practice should the need arise.

Auditor's Evaluation: The response is appropriate to correct the concern.

### **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

#### **2022-003: Internal Control Over Schedule of Expenditures of Federal Awards**

Federal Grantor: U.S. Department of Justice, U.S. Department of Transportation, U.S. Department of the Treasury, Election Assistance Commission, and U.S. Department of Homeland Security

Pass-Through Grantor: Missouri Department of Public Safety, Missouri Department of Transportation, Missouri State Treasurer's Office, Missouri Secretary of State

Federal Assistance Living Number: 16.575, 20.205, 21.019, 21.027, 90.401, and 97.042

Program Title: Crime Victim Assistance, Highway Planning and Construction; COVID-19 Coronavirus Relief Fund; COVID-19 Coronavirus State and Local Fiscal Recovery Funds; Help America Vote Act Requirement Payments; Emergency Management Performance Grants

Pass-through Entity Identifying Number: BRO-032(38), 253-01905

Award Year: 2022 and 2021

Questioned Costs: None

Criteria: 2 CFR 200.510(b) requires auditees to prepare a schedule of expenditures of federal awards which must report total federal awards expended during the audit period. At a minimum, the schedule must include: expenditures by individual federal program, name of the pass-through entity and identifying number for awards not received directly from the federal government, and the total amount provided to subrecipients from each federal program. The County has not implemented proper internal controls to ensure the completeness and accuracy of the SEFA.

This finding was noted in the prior audit for the year ended December 31, 2020 as item 2020-001.

Condition: The schedules of expenditures of federal awards (SEFA) reported by the County in the 2022 and 2021 annual budget documents contained errors in amounts of federal expenditures reported.

Discrepancies in amounts reported on the 2021 SEFA and amount supported by underlying accounting records are summarized as follows:

Federal Agency	ALN Number	Federal Program	Original SEFA	Supported	Difference
DOJ	16.575	Crime Victim Assistance	\$ 38,675	\$ 38,675	\$ -
DOT	20.205	Highway Planning and Construction	177,279	177,279	-
Treasury	21.019	COVID-19 Coronavirus Relief Fund	-	65,796	(65,796)
Treasury	21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Fund	1,218,544	119,019	1,099,525
EAC	90.401	HAVA Requirements Payments	1,409	1,409	-
DHS	97.042	Emergency Management Performance Grants	10,015	10,015	-

Discrepancies in amounts reported on the 2022 SEFA and amount supported by underlying accounting records are summarized as follows:

Federal Agency	ALN Number	Federal Program	Original SEFA	Supported	Difference
DOJ	16.575	Crime Victim Assistance	\$ 46,046	\$ 46,046	\$ -
Treasury	21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Fund	-	2,319,835	(2,319,835)
EAC	90.401	HAVA Requirements Payments	2,515	2,515	-
DHS	97.042	Emergency Management Performance Grants	9,000	9,000	-

Cause: The County has not implemented a proper system of internal control over SEFA preparation, such as a reconciliation to underlying accounting records or having a separate individual review the SEFA for clerical accuracy after it has been prepared. Reasons for discrepancies in individual programs varied.

Effect: The SEFA presented for audit did not accurately reflect the County's actual expenditures of federal awards for both the years ended December 31, 2022 and 2021.

Recommendation: We recommend that the County implement internal controls to ensure that the SEFA completely and accurately states the expenditures of federal awards of the County each year.

County's Response: We will only enter expenditures in the SEFA (Schedule of Expenditures of Federal Award) Schedule. With this audit and more training, I am now aware of the process and will be more cautious about the figures I transfer onto the SEFA schedule.

Auditor's Evaluation: The response is appropriate to correct the concern.

**MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:**

- **Summary Schedule of Prior Audit Findings**
  - **Corrective Action Plan**



# DEKALB COUNTY



Kyle L. Carroll  
Presiding Commissioner

Chet Owen  
East District Commissioner

Kyle H. White  
West District Commissioner

Melissa Meek  
County Clerk & LEA

Penny Gans  
Chief Deputy Clerk

109 W Main/P.O. Box 248

Maysville, MO 64469

P-816/449-5402 F-816/449-2440

## DEKALB COUNTY, MISSOURI SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by DeKalb County, Missouri on the applicable findings in the prior audit report issued for the one year ended December 31, 2020.

**2020-001:** The schedule of expenditures of federal awards (SEFA) reported by the County in 2020 annual budget documents contained errors in amounts of federal expenditures reported. 2 CFR 200.510(b) requires auditees to prepare a schedule of expenditures of federal awards which must report total federal awards expended during the audit period.

Status: Not resolved, see finding 2022-003.

**2020-002:** Absence of Proper Investment Policy.

Status: Not resolved, see finding 2022-001.

**2020-003:** County's documentation was not always sufficient to support that adequate internal controls were in place to review the allowability of expenditures paid with CARES Act funding against the allowability criteria.

Status: Resolved.

# DEKALB COUNTY



Kyle L. Carroll  
Presiding Commissioner

Chet Owen  
East District Commissioner

Kyle H. White  
West District Commissioner

Melissa Meek  
County Clerk & LEA

Penny Gans  
Chief Deputy Clerk

109 W Main/P.O. Box 248  
Maysville, MO 64469  
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## DEKALB COUNTY, MISSOURI CORRECTIVE ACTION PLAN

**Finding Reference Number:** 2022-001

**Federal Agency:** N/A

**Program Name:** N/A

**ALN Number:** N/A

**Responsible Official:** County Commission

**Views of Responsible Individuals:** The Commission will work to adopt the Investment Policy per RSMO 30.950.

**Finding Reference Number:** 2022-002

**Federal Agency:** N/A

**Program Name:** N/A

**ALN Number:** N/A

**Responsible Official:** Melissa Meek, County Clerk

**Views of Responsible Individuals:** The County has in the past amended the original budget if it were adequate to fund the budgeted amounts holding a public meeting and formally adopting the amended budget. We will continue to do this practice should the need arise.

# *DEKALB COUNTY*

**Finding Reference Number:** 2022-003

**Federal Agency:** U.S. Department of Justice, U.S. Department of Transportation, U.S. Department of the Treasury, Election Assistance Commission, and U.S. Department of Homeland Security

**Program Name:** Crime Victim Assistance, Highway Planning and Construction; COVID-19 Coronavirus Relief Fund; COVID-19 Coronavirus State and Local Fiscal Recovery Funds; Help America Vote Act Requirement Payments; Emergency Management Performance Grants

**ALN Number:** 16.575, 20.205, 21.019, 21.027, 90.401, and 97.042

**Responsible Official:** Melissa Meek, County Clerk

**Views of Responsible Individuals:** We will only enter expenditures in the SEFA (Schedule of Expenditures of Federal Award) Schedule. With this audit and more training, I am now aware of the process and will be more cautious about the figures I transfer onto the SEFA schedule.

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## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

August 28, 2023

To the County Commission  
DeKalb County, Missouri

We have audited the regulatory basis financial statements of DeKalb County, Missouri for the years ended December 31, 2022 and 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 9, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by DeKalb County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021 and 2022. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected during the audit.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 28, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the years ended December 31, 2021 and 2022, we considered DeKalb County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our report on our consideration of internal control over financial reporting dated August 28, 2023.

### Other Matters

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles

prescribed or permitted by Missouri law, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the County Commission and management of DeKalb County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
September 2023

Report No. 2023-084

November 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## September 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions, other than cities, towns, and villages, required to file a financial report under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Due to different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 49 political subdivisions required to file a financial report by September 30, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in September 2023, after their filing deadline. The filing status for these 39 entities is presented in summary on page 3 and by individual entity in Appendixes B and C.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## September 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.

This report includes the filing status for the 49 political subdivisions, other than cities, towns, and villages, with a fiscal year end of March 31, 2023. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 49 political subdivisions, 40 filed an annual financial report timely.

This report also includes the filing status for 39 political subdivisions, other than cities, towns, and villages, that filed their financial report in September 2023, after their filing deadline.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due September 30, 2023

Fiscal Year Ended March 31, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Andrew	PWSD 3 Andrew County	Yes	July 12, 2023
Barry	Monett Marketplace CID	Yes	May 23, 2023
Boone	Centralia Public Library District	Yes	September 15, 2023
Buchanan	Maxwell Heights FPD	Yes	August 1, 2023
Butler	North Cache River Drainage District	Yes	June 15, 2023
Caldwell	Golden Age NHD	No	
Camden	Sunrise Beach Market Center CID	Yes	September 18, 2023
Carroll	Sambo Slough Levee District	No	
Carter	West Carter Ambulance District	Yes	July 26, 2023
Cass	Cedar Tree CID	Yes	August 10, 2023
	Fairfield Inn CID	Yes	August 29, 2023
	PWSD 6 Cass County	Yes	August 10, 2023
	Southview Commerce Center CID	Yes	September 18, 2023
	TXRH CID	Yes	August 29, 2023
	Y Belton CID	Yes	August 29, 2023
	Y Belton Two CID	Yes	August 29, 2023
	Y Highway Marketplace CID	Yes	September 26, 2023
Clay	210 Highway CID	Yes	September 29, 2023
	210 Highway TDD	Yes	September 29, 2023
	Kearney West Side CID	Yes	September 18, 2023
	Shoppes at Kearney CID	Yes	September 18, 2023
Cole	PWSD 2 Cole County	Yes	September 29, 2023
Franklin	St. Clair Sewer District	Yes	June 7, 2023
Harrison	Harrison County Hospital District	Yes	September 27, 2023
Henry	Golden Valley Memorial Hospital	Yes	May 31, 2023
Holt	Union Township Levee District	No	
Jasper	Sarcoxis Rural FPD	Yes	June 9, 2023
Jefferson	Twin City Mall CID	No	
Lewis	Steffenville Drainage District	No	
Livingston	Livingston Ambulance District	Yes	May 19, 2023
	Stoneybrooke CID	Yes	September 28, 2023
Montgomery	Wellsville Public Library District	Yes	May 9, 2023
Perry	Perry County Memorial Hospital District	No	
	Perry Plaza CID	Yes	September 22, 2023
Pettis	Galaxy West CID	Yes	September 19, 2023
	Sedalia Public Library District	Yes	August 7, 2023
Putnam	Putnam County Care Center	Yes	September 18, 2023
Ray	Levee District 2 Ray County	No	
Saline	Van Meter-Teteseau Levee District	No	
Schuyler	Schuyler County Ambulance District	Yes	July 20, 2023
St. Louis	Jennings Station Road CID	Yes	September 22, 2023
	Kirkwood Square CID	No	
	Manchester Lindbergh Southeast CID	Yes	May 11, 2023
	Market at McKnight CID	Yes	June 21, 2023
	Plaza on the Boulevard-Jennings CID	Yes	September 22, 2023
	Rock Hill Public Library District	Yes	September 18, 2023
Stoddard	PWSD 4 Stoddard County	Yes	July 27, 2023

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due September 30, 2023

Fiscal Year Ended March 31, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Taney	Hollister Parkway CID	Yes	April 5, 2023
	Southtowne CID	Yes	September 18, 2023
Total Filed		40	
Total Not Filed		9	

Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
NHD	Nursing Home District
PWSD	Public Water Supply District
TDD	Transportation Development District

# Appendix B

## Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2023

Filed in September 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Barry	Butterfield FPD	Yes	September 6, 2023
	Monett SRD Barry County	Yes	September 15, 2023
Bollinger	Woodland FPD	Yes	September 11, 2023
Buchanan	St. Joseph Gateway TDD	Yes	September 19, 2023
Carter	East Carter Ambulance District	Yes	September 20, 2023
Cass	Stonegate CID	Yes	September 14, 2023
Christian	Bluff Drive CID	Yes	September 19, 2023
Clay	Pleasant Valley 8 SRD Clay County	Yes	September 5, 2023
Cole	Southside Munichburg CID	Yes	September 25, 2023
Dunklin	Drainage District 12 Dunklin County	Yes	September 22, 2023
	Drainage District 23 Dunklin County	Yes	September 22, 2023
	Drainage District 25 Dunklin County	Yes	September 22, 2023
	Dunklin County Health Department	Yes	September 18, 2023
Franklin	Labadie Levee District	Yes	September 19, 2023
Howell	PWSD 1 Howell County	Yes	September 20, 2023
Lawrence	Avilla FPD	Yes	September 18, 2023
	Monett SRD Lawrence County	Yes	September 15, 2023
	Pierce Benefit SRD Lawrence County	Yes	September 20, 2023
	Lewis County Health Department & HHA	Yes	September 27, 2023
Linn	Laclede Community FPD	Yes	September 26, 2023
Livingston	PWSD 1 Livingston County	Yes	September 21, 2023
Macon	Bevier FPD	Yes	September 20, 2023
	La Plata NHD	Yes	September 18, 2023
Platte	9 Highway Corridor CID	Yes	September 19, 2023
	NW 97th Terrace & N Congress Avenue CID	Yes	September 25, 2023
Polk	Pleasant Hope FPD	Yes	September 20, 2023
Pulaski	Dixon Rural FPD	Yes	September 6, 2023
Putnam	York Township Volunteer FPD	Yes	September 5, 2023
Saline	Saline County Rural FPD	Yes	September 22, 2023
Scott	PWSD 2 Scott County	Yes	September 20, 2023
St. Francois	Pilot Knob Rural Water District	Yes	September 27, 2023
St. Louis	370/MO Bottom Road/Taussig Road TDD	Yes	September 6, 2023
	Kinloch FPD	Yes	September 5, 2023
	Loop Trolley TDD	Yes	September 30, 2023
	Northeast Ambulance & FPD	Yes	September 12, 2023
Washington	Washington County 911 Board	Yes	September 18, 2023
Webster	Niangua FPD	Yes	September 5, 2023
Wright	Wright County 911 Board	Yes	September 29, 2023
Total Filed		38	

### Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
HHA	Home Health Agency
NHD	Nursing Home District
PWSD	Public Water Supply District
SRD	Special Road District
TDD	Transportation Development District

Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due July 31, 2023

Filed in September 2023

Fiscal Year Ended January 31, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Cedar	Cedar County Memorial Hospital	Yes	September 15, 2023
Total Filed		1	



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
September 2023

Report No. 2023-083

November 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## September 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by September 30, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030 and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Due to different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 50 cities and 25 villages is presented in summary on page 3 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in September 2023, after their filing deadline. The filing status for these 59 cities and 11 villages is presented in summary on page 4 and by individual entity in Appendixes B to H.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

## September 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. Rule 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires the SAO to notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359, RSMo, and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and a mandatory ballot measure to dissolve the political subdivision.

This report includes the filing status for the 50 cities and 25 villages with a fiscal year end of March 31, 2023, whose financial report was due by September 30, 2023. Of the 75 municipalities, 51 filed the financial report timely. Of the 54 municipalities required to file an addendum, 30 filed timely. Of the 24 municipalities required to file a certification, 15 filed timely.



Monthly Report on Municipal Court and Revenue Filings  
September 2023  
Executive Summary

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This report includes the filing status for 59 cities and 11 villages that filed at least one of the items (financial report, addendum, or certification) in September 2023, after their filing deadline. Of these municipalities, 12 filed an annual financial report, 47 filed an addendum, and 21 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2023  
Fiscal Year Ended March 31, 2023

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Adair	Village of Gibbs Village	No		N/A	N/A
Atchison	City of Tarkio	Yes	April 10, 2023	Yes	No
Audrain	City of Martinsburg	Yes	June 27, 2023	Yes	N/A
	Village of Benton City	Yes	April 17, 2023	No	N/A
Barry	City of Monett	No		Yes	Yes
Bates	City of Butler	No		Yes	Yes
Boone	City of Centralia	No		No	N/A
Buchanan	Village of Agency	No		N/A	N/A
	Village of Lewis & Clark	Yes	September 14, 2023	N/A	N/A
Camden	Village of Sunrise Beach	Yes	September 28, 2023	No	Yes
Cape Girardeau	Village of Old Appleton	No		N/A	N/A
	Village of Pocahontas	No		N/A	N/A
Carroll	City of Norborne	No		No	N/A
Cass	City of Belton	Yes	September 26, 2023	Yes	Yes
	City of Pleasant Hill	No		Yes	Yes
Chariton	City of Triplett	Yes	August 31, 2023	N/A	N/A
Clark	City of Kahoka	Yes	September 21, 2023	No	N/A
Clay	City of Holt	Yes	September 25, 2023	No	N/A
	City of Kearney	Yes	September 19, 2023	Yes	Yes
	City of Mosby	No		No	N/A
	Village of Claycomo	Yes	April 19, 2023	Yes	Yes
	Village of Oakview	No		No	No
Clinton	Village of Grayson	No		N/A	N/A
Cole	City of Lohman	Yes	August 11, 2023	N/A	N/A
Cooper	City of Blackwater	Yes	August 24, 2023	No	N/A
	City of Boonville	Yes	September 11, 2023	Yes	N/A
	City of Pilot Grove	Yes	August 24, 2023	Yes	N/A
DeKalb	City of Osborn	Yes	September 30, 2023	No	N/A
Franklin	Village of Leslie	No		N/A	N/A
Grundy	City of Spickard	No		N/A	N/A
Henry	City of Calhoun	Yes	September 29, 2023	Yes	N/A
Holt	Village of Corning	No		N/A	N/A
Jefferson	City of Crystal City	No		No	No
	Village of Scotsdale	Yes	August 4, 2023	N/A	N/A
Lafayette	City of Lexington	Yes	September 13, 2023	No	No
	City of Napoleon	Yes	June 11, 2023	Yes	N/A
	City of Odessa	Yes	September 27, 2023	Yes	Yes
Lawrence	Village of Dover	Yes	September 5, 2023	N/A	N/A
	City of Pierce City	Yes	April 21, 2023	Yes	N/A
	City of Verona	No		Yes	Yes
Livingston	City of Chillicothe	Yes	September 28, 2023	Yes	N/A
Miller	City of Iberia	Yes	August 8, 2023	No	N/A
	Village of Olean	Yes	September 29, 2023	N/A	N/A
Mississippi	City of East Prairie	No		No	Yes
Moniteau	City of California	Yes	July 6, 2023	Yes	N/A
Monroe	City of Paris	Yes	July 26, 2023	No	N/A
Montgomery	City of Jonesburg	Yes	April 24, 2023	No	N/A
	City of McKittrick	Yes	June 12, 2023	N/A	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2023

Fiscal Year Ended March 31, 2023

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Montgomery	City of Wellsville	No		No	N/A
	Village of Rhineland	Yes	August 9, 2023	Yes	N/A
Osage	City of Westphalia	Yes	April 20, 2023	N/A	N/A
Perry	City of Perryville	Yes	August 29, 2023	No	N/A
Pettis	City of Sedalia	Yes	September 19, 2023	Yes	N/A
Pike	Village of Eolia	Yes	July 10, 2023	Yes	N/A
Putnam	City of Unionville	Yes	September 22, 2023	Yes	N/A
Ray	City of Hardin	Yes	September 29, 2023	No	No
Saline	City of Sweet Springs	Yes	August 23, 2023	Yes	Yes
	Village of Arrow Rock	Yes	June 30, 2023	No	N/A
	Village of Mount Leonard	Yes	August 19, 2023	N/A	N/A
Scotland	Village of Arbela	No		N/A	N/A
Scott	City of Chaffee	Yes	September 7, 2023	No	No
	City of Oran	Yes	April 27, 2023	No	N/A
Shelby	Village of Bethel	Yes	September 5, 2023	N/A	N/A
St. Clair	Village of Vista	No		N/A	N/A
St. Francois	City of Leadwood	Yes	April 3, 2023	Yes	N/A
St. Louis	City of Jennings	No		No	No
	City of Kirkwood	Yes	September 27, 2023	Yes	Yes
	City of Rock Hill	Yes	September 29, 2023	Yes	Yes
	City of Velda Village Hills	Yes	August 1, 2023	Yes	Yes
	Village of Hillsdale	Yes	August 3, 2023	Yes	No
	Village of Sycamore Hills	Yes	September 19, 2023	Yes	Yes
Taney	City of Hollister	Yes	August 3, 2023	Yes	N/A
Texas	City of Licking	No		No	N/A
Vernon	Village of Harwood	No		N/A	N/A
Wright	City of Mansfield	Yes	August 4, 2023	Yes	No
Total Filed		51		30	15
Total Not Filed		24		24	9
Total N/A		0		21	51

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in September 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Cass	City of Archie	***	January 11, 2023	Yes	N/A
Cooper	City of Bunceton	***	March 6, 2023	Yes	N/A
Daviess	City of Pattonsburg	**	July 20, 2022	Yes	N/A
Greene	City of Ash Grove	**	September 20, 2022	Yes	No
Howard	City of Glasgow	**	December 7, 2022	Yes	N/A
Lewis	City of Canton	***	January 4, 2023	Yes	Yes
Mississippi	City of Bertrand	**	August 2, 2022	Yes	Yes
Newton	City of Granby	**	November 8, 2022	Yes	Yes
Phelps	City of Newburg	**	September 20, 2022	Yes	N/A
Ralls	City of New London	***	January 4, 2023	Yes	N/A
Shelby	City of Shelbina	***	February 8, 2023	Yes	**
St. Louis	City of Glendale	**	December 2, 2022	**	Yes
	City of Oakland	**	November 28, 2022	Yes	Yes
	City of Vinita Park	**	November 1, 2022	Yes	**
	City of Warson Woods	**	October 19, 2022	**	Yes
Texas	City of Cabool	**	December 20, 2022	Yes	**
Wayne	City of Piedmont	**	December 14, 2022	Yes	Yes
Webster	City of Rogersville	**	December 20, 2022	**	Yes
	City of Seymour	**	November 8, 2022	**	Yes
Wright	City of Mountain Grove	**	December 20, 2022	Yes	***
Total Filed		0		16	9

\*\* Filed by December 31, 2022.

\*\*\* Filed after December 31, 2022, but before September 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due February 28, 2023  
Filed in September 2023

Fiscal Year Ended August 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Barton	City of Golden City	**	December 5, 2022	Yes	N/A
Total Filed		0		1	0

\*\* Filed by December 31, 2022.

N/A Entities without a municipal judge are not required to file a certification.

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023  
Filed in September 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Andrew	City of Savannah	**	December 13, 2022	Yes	N/A
Audrain	City of Farber	**	February 24, 2023	Yes	N/A
Barry	City of Exeter	**	March 31, 2023	Yes	N/A
Dallas	City of Buffalo	**	March 31, 2023	Yes	N/A
Jackson	City of Buckner	**	January 12, 2023	Yes	Yes
Jasper	City of Duquesne	**	February 10, 2023	**	Yes
Total Filed		0		5	2

\*\* Filed by March 31, 2023.

N/A Entities without a municipal judge are not required to file a certification.



Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due April 30, 2023  
Filed in September 2023

Fiscal Year Ended October 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Clay	City of Smithville	***	May 24, 2023	Yes	N/A
Cole	City of Jefferson City	**	April 17, 2023	**	Yes
Total Filed		0		1	1

\*\* Filed by April 30, 2023.

\*\*\* Filed after April 30, 2023, but before September 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix F  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due May 31, 2023  
Filed in September 2023

Fiscal Year Ended November 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Worth	City of Flordell Hills	***	July 5, 2023	Yes	**
Total Filed		0		1	0

\*\* Filed by May 31, 2023.

\*\*\* Filed after May 31, 2023, but before September 2023.

Appendix G  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023  
Filed in September 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Barry	City of Cassville	**	June 13, 2023	Yes	N/A
	City of Seligman	***	August 9, 2023	Yes	**
Bates	Village of Passaic	Yes	September 29, 2023	N/A	N/A
Butler	City of Poplar Bluff	***	August 10, 2023	Yes	**
Camden	City of Osage Beach	**	June 7, 2023	**	Yes
Carroll	City of Bosworth	***	August 10, 2023	Yes	N/A
Christian	City of Fremont Hills	**	May 4, 2023	Yes	N/A
	City of Nixa	**	May 5, 2023	Yes	N/A
Clark	City of Revere	Yes	September 25, 2023	N/A	N/A
Daviess	City of Gallatin	**	June 30, 2023	Yes	N/A
DeKalb	City of Stewartsville	**	June 30, 2023	Yes	N/A
	City of Union Star	**	January 27, 2023	Yes	N/A
Dunklin	City of Cardwell	***	August 11, 2023	Yes	Yes
Henry	City of Deepwater	**	February 23, 2023	Yes	N/A
Hickory	City of Cross Timbers	Yes	September 25, 2023	N/A	N/A
Jackson	City of Grain Valley	**	June 26, 2023	Yes	Yes
Jasper	Village of Reeds	Yes	September 14, 2023	N/A	N/A
Johnson	City of Knob Noster	**	January 9, 2023	Yes	No
Knox	City of Edina	**	April 18, 2023	Yes	N/A
Lawrence	City of Aurora	**	April 26, 2023	Yes	Yes
Lincoln	City of Winfield	No		Yes	N/A
Linn	City of Browning	***	August 11, 2023	Yes	N/A
	City of Bucklin	Yes	September 19, 2023	No	N/A
McDonald	City of Noel	**	February 10, 2023	Yes	***
Mississippi	City of Anniston	Yes	September 21, 2023	No	N/A
New Madrid	Village of Tallapoosa	Yes	September 18, 2023	N/A	N/A
Newton	City of Seneca	**	June 19, 2023	**	Yes
Pemiscot	Village of Wardell	Yes	September 20, 2023	N/A	N/A
St. Louis	City of Bel Nor	***	August 30, 2023	***	Yes
	City of Bel Ridge	No		**	Yes
	City of Northwoods	***	August 28, 2023	Yes	**
	City of Shrewsbury	***	August 31, 2023	No	Yes
	City of Wildwood	**	June 29, 2023	**	Yes
Sullivan	Village of Westwood	Yes	September 21, 2023	Yes	No
	Village of Humphreys	**	June 14, 2023	Yes	N/A
	Village of Newtown	**	January 4, 2023	Yes	N/A
	Village of Pollock	**	June 14, 2023	Yes	N/A
Vernon	Village of Moundville	Yes	September 9, 2023	No	N/A
Washington	Village of Caledonia	Yes	September 20, 2023	N/A	N/A
Total Filed		11		23	9

\*\* Filed by June 30, 2023.

\*\*\* Filed after June 30, 2023, but before September 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix H  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due August 31, 2023  
Filed in September 2023

Fiscal Year Ended February 28, 2023

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	Village of Uplands Park	Yes	September 20, 2023	**	**
Total Filed		1		0	0

\*\* Filed by August 31, 2023.



# Scott Fitzpatrick

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Missouri State Auditor

Ozark County

Report No. 2023-082

November 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of Ozark County

Sheriff's Controls and Procedures	The Sheriff has not adequately segregated accounting duties or performed adequate supervisory reviews of detailed accounting and bank records. Procedures for receipting, recording, depositing, and disbursing need improvement. The Office Manager does not prepare a monthly list of liabilities for the front office (fees) account or the commissary account. The office has not established adequate controls and procedures over seized property.
Property Tax System Controls and Procedures	The County Clerk did not maintain an account book or other records summarizing property tax charges, transactions, and changes, and no other review or reconciliation process was in place to verify this information. The County Clerk did not prepare the land and personal tax or the railroad and utility tax aggregate abstracts for 2021 and 2022.
Recycling Center's Controls and Procedures	The County Commission has not adequately segregated accounting duties or performed adequate supervisory reviews of detailed accounting records at the Recycling Center. Recycling Center personnel do not issue receipt slips for money received or ensure all receipts are recorded on the receipts log.
Ex Officio Recorder of Deeds' Bank Reconciliations and List of Liabilities	The former Ex Officio Recorder of Deeds did not perform adequate and timely bank reconciliations and did not prepare a monthly list of liabilities.
Sheriff's Compensation	The County Commission authorized a mid-term salary increase totaling \$5,706 to the Sheriff in May 2022, in violation of constitutional provisions.
Financial Reporting	Neither the County Commission nor the County Clerk submitted proof of publication of the county's financial statements for the years ended December 31, 2021, and 2022, to the State Auditor as required by state law.
Sunshine Law Public Access Policy	The County Commission has not adopted a written policy regarding public access to county records as required by state law. A written policy regarding public access to county records would establish guidelines for the county to make records available to the public.
Electronic Data Security	Controls over county computers are not sufficient. As a result, county records are not adequately protected and are susceptible to unauthorized access or loss of data.
Electronic Communication Policy	The county has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission.

Additional Comments	Because counties are managed by several separately-elected individuals, an audit finding made with respect to one office does not necessarily apply to the operations in another office. The overall rating assigned to the county is intended to reflect the performance of the county as a whole. It does not indicate the performance of any one elected official or county office.
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In the areas audited, the overall performance of this entity was **Fair**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Ozark County

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## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

County Commission  
and  
Officeholders of Ozark County

We have audited certain operations of Ozark County in fulfillment of our duties under Section 29.230, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2022. The objectives of our audit were to:

1. Evaluate the county's internal controls over significant management and financial functions.
2. Evaluate the county's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the county, and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the county's management and was not subjected to the procedures applied in our audit of the county.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of Ozark County.

A handwritten signature in black ink, reading "S. Fitzpatrick". The signature is stylized, with a large, looped "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

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# Ozark County Management Advisory Report State Auditor's Findings

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## **1. Sheriff's Controls and Procedures**

Controls and procedures in the Sheriff's office need improvement. The office collected approximately \$106,600 in civil paper service fees, concealed carry weapon permits, bonds, money from inmates, and other miscellaneous receipts during the year ended December 31, 2022.

### **1.1 Segregation of duties**

The Sheriff has not adequately segregated accounting duties or performed adequate supervisory reviews of detailed accounting and bank records. The Office Manager is primarily responsible for receipting, recording, and depositing receipts; making disbursements; reconciling bank accounts; and billing for paper services. The Sheriff reviews the monthly bank reconciliations; however, his reviews are not documented. The Sheriff indicated the Office Manager had to take on additional duties following employee layoffs in August 2022 and the Sheriff is not always available to review deposits or other records.

Proper segregation of duties is necessary to ensure transactions are accounted for properly and assets are adequately safeguarded. Internal controls would be improved by segregating the duties of receiving, recording, and depositing receipts; making disbursements; reconciling bank accounts; and billing. If proper segregation of duties cannot be achieved, documented independent or supervisory reviews of detailed accounting and bank records are essential and should include comparing daily receipts to deposits.

### **1.2 Receipting, recording, depositing, and disbursing**

Procedures for receipting, recording, depositing, and disbursing need improvement. Our review of receipt slips, bond forms, deposits, and disbursements, haphazardly and judgmentally selected, identified the following concerns:

- The Office Manager does not always issue receipt slips for fees, permits, and miscellaneous receipts at the time payment is received. For example, we performed a cash count on January 10, 2023, and identified 2 receipts on hand; however, these receipts were not recorded on receipt slips until January 20, 2023.
- The Office Manager does not always deposit fees, permits, and miscellaneous receipts timely. For example, receipts collected from August 2, 2022, through August 25, 2022, totaling \$278, were not deposited until October 6, 2022, along with receipts collected through October 6, 2022.
- Jail personnel do not use pre-numbered bond forms, do not issue receipt slips for bond receipts, and do not always maintain a copy of the bond form. As a result, the Office Manager cannot ensure all bonds received have been transmitted to him and handled properly.



## Ozark County Management Advisory Report - State Auditor's Findings

- The Office Manager does not always deposit bond receipts timely. For example, a \$5,000 bond receipt collected on July 8, 2022, was not deposited until July 25, 2022.
- The Office Manager does not always disburse bond receipts to the Circuit Court or other political subdivisions timely. For example, 7 bond receipts collected on August 22, 2022, were not disbursed until September 13, 2022, and another bond receipt collected on August 22, 2022, was not disbursed until October 12, 2022.
- The Office Manager does not always timely disburse fees and other receipts to the County Treasurer. For example, August 2022 fees (\$278) were not disbursed until October 6, 2022, and October and November 2022 fees (\$1,383) were not disbursed until January 19, 2023.

The Sheriff indicated increasing workloads and shifting office responsibilities have caused delays in many areas including receipting, recording, depositing, and disbursing. Staffing shortages due to employee layoffs in August 2022 further contributed to the delays. In addition, the Sheriff indicated he was not aware of the importance of using pre-numbered bond forms.

Failure to implement adequate receipting, recording, depositing, and disbursing procedures increases the risk that loss, theft, or misuse of money could occur and go undetected. In addition, Section 50.370, RSMo, requires all county officials who receive fees or any other remuneration for official services to pay this money monthly to the County Treasurer.

### 1.3 Liabilities

The Office Manager does not prepare a monthly list of liabilities for the front office (fees) account or the commissary account. Consequently, liabilities are not agreed to the reconciled bank balance. The Office Manager indicated he was not aware of the importance of preparing lists of liabilities.

The reconciled bank balance of the front office account was \$2,816 as of December 8, 2022. Liabilities determined by the Office Manager at our request consisted of undisbursed fees totaling \$2,728, resulting in an \$88 unidentified balance.

The reconciled bank balance of the commissary account was \$19,924 as of December 30, 2022. Liabilities determined by the Office Manager at our request consisted of active inmate account balances (\$520) as of December 31, 2022, and accounts payable balances (\$20,920) as of February 8, 2023, resulting in a shortage of \$1,516. This shortage may be due to timing differences between the date of the reconciled bank balance and the liabilities.

Monthly lists of liabilities that are agreed to the reconciled bank balance are necessary to ensure records are in balance, errors are detected and corrected



## Ozark County Management Advisory Report - State Auditor's Findings

timely, and sufficient cash is available for the payment of all liabilities. Prompt follow up on discrepancies is necessary to resolve errors and ensure money is properly disbursed. Various statutory provisions provide for the disposition of unidentified money.

### 1.4 Seized property

The Sheriff's office has not established adequate controls and procedures over seized property. A complete and accurate seized property evidence log has not been maintained and a physical inventory of seized property has not been performed since before the Sheriff took office in January 2021.

The Sheriff's office currently has 2 separate systems tracking seized property items. The older system is used for evidence prior to 2021, and the newer system is used for evidence beginning in 2021. Evidence logs from each system are used to track seized property in the evidence room. We haphazardly selected 10 items from the evidence room to ensure the items were on the logs. The Sheriff could not locate where 2 of the items had been recorded on the logs (first item was a bat and second item consisted of 3 scales and a bag). We also haphazardly selected 10 items from the new evidence system log and 8 items from the old evidence system log and could not locate 4 items from the old evidence system log, including 3 guns and 1 drug evidence item. The Sheriff indicated due to staffing shortages, the log for the old evidence system has not been updated and an inventory of seized property has not been performed.

Considering the often sensitive nature of seized property, adequate internal controls are essential and would significantly reduce the risk of loss, theft, or misuse of the property. Maintaining complete and accurate inventory control records and performing periodic physical inventories with the results compared to inventory records is necessary to ensure seized property is accounted for properly.

### Similar conditions previously reported Recommendations

A similar condition to section 1.1 was noted in our prior 2 audit reports and a similar condition to section 1.4 was noted in our prior audit report.

The Sheriff:

- 1.1 Segregate accounting duties or ensure adequate independent or supervisory reviews of detailed accounting and bank records are performed and documented.
- 1.2 Issue receipt slips immediately upon receipt for all money received and deposit money timely. In addition, issue pre-numbered bond forms or receipt slips for all bond receipts, and ensure bond forms are issued, retained, and accounted for properly. Also, disburse bonds timely and disburse all fees and other receipts to the County Treasurer monthly in accordance with state law.



Ozark County  
Management Advisory Report - State Auditor's Findings

- 1.3 Prepare monthly lists of liabilities and reconcile the lists to the reconciled bank balances. Any differences should be promptly investigated and resolved, and any unidentified money disposed of in accordance with state law.
- 1.4 Maintain a complete and accurate seized property evidence log, ensure a periodic inventory is conducted and reconciled to the seized property evidence log, and investigate any differences.

## Auditee's Response

- 1.1 *Due to staffing limitations, we will not be able to fully segregate accounting duties as recommended. However, to mitigate this limitation, we will implement new workflows that include supervisory reviews conducted by me, the Sheriff. These reviews will be documented to ensure transparency and accountability. To formalize this process, we will create new forms specifically designed to document and save these supervisory reviews.*

*Specifically, weekly deposits will be scheduled for every Thursday, and bank reconciliations will be performed once per month upon receipt from the bank. I will personally review these reconciliations monthly to ensure that all transactions are accounted for properly and that assets are adequately safeguarded.*

- 1.2 *To address the concerns raised, we will implement a system to issue receipt slips immediately upon receiving any fees, permits, or miscellaneous receipts. Given that our bond forms are digital and sourced directly from the court, pre-numbered bond forms are not feasible. However, we will issue digital receipt slips for all bond receipts to ensure proper tracking and accountability.*

*To streamline this process, we are in the process of creating simple software that will allow us to record data and print receipt slips immediately. By transitioning to a digital system, we aim to increase accuracy and completeness in our record-keeping. The digital format will help us ensure that all necessary fields are filled out, addressing the issue of incomplete paper forms.*

- 1.3 *To address the issue of liabilities, we are revising our workflow to ensure that liabilities are eliminated from our accounting process. Invoices will be generated immediately upon receipt of fees and mileage charges, and payments will be applied without delay. In cases where a check exceeds the amount due, an immediate refund will be issued for the overpayment. Conversely, if there is a balance due, the invoice will be promptly mailed to the customer.*



## Ozark County Management Advisory Report - State Auditor's Findings

*Regarding the previously unidentified \$88 balance, we believe we have identified the source of this discrepancy. It appears to be an error stemming from an attempt to void uncashed checks dating from 2012 to the present, totaling approximately \$80. The remaining \$8 is from a deposit made by bank staff when cash was meant to be broken down. This occurred due to the absence of a petty cash drawer for making change.*

*We are pleased to report that as of September 30, 2023, the commissary account has been reconciled and is perfectly balanced.*

- 1.4 *To address the concerns raised about the management of seized property, we will take several steps to improve our internal controls. First, we will update our seized property evidence log and conduct periodic inventories to ensure all items are accounted for.*

*To streamline this process and improve accuracy, we will be converting all existing seized property evidence from the old system to the new system. Additionally, we will implement barcode scanning for all seized property to facilitate easier tracking and management.*

*To further ensure the integrity of our seized property records, we will conduct a self-audit once per year. This will allow us to verify the accuracy of our records and promptly address any discrepancies or abnormal findings.*

## 2. Property Tax System Controls and Procedures

Controls and procedures over the property tax system need improvement. The County Collector's office collected approximately \$5.9 million in property taxes and other miscellaneous receipts during the year ended February 28, 2023.

- 2.1 Review of property taxes The County Clerk did not maintain an account book or other records summarizing property tax charges, transactions, and changes, and no other review or reconciliation process was in place to verify this information. As a result, there is an increased risk of loss, theft, or misuse of property tax money going undetected, and less assurance the annual settlements are complete and accurate. The County Clerk indicated he was unaware of the need for an account book.

Section 51.150.1(2), RSMo, requires the County Clerk to maintain accounts between the county and all persons chargeable with money payable into the county treasury. An account book or other records summarizing all taxes charged to the County Collector, monthly collections, delinquent credits, additions and abatements, and protested amounts would help ensure taxes charged and credited to the County Collector are complete and accurate and





Ozark County  
Management Advisory Report - State Auditor's Findings

could also be used by the County Clerk and the County Commission to verify the accuracy and completeness of the County Collector's annual settlements and delinquent tax books. Such procedures are intended to establish checks and balances related to the collection of property taxes.

## 2.2 Aggregate abstracts

The County Clerk did not prepare the land and personal tax or the railroad and utility tax aggregate abstracts for 2021 and 2022. The County Clerk indicated that his failure to complete these aggregate abstracts was an oversight.

Section 137.295, RSMo, requires the County Clerk to prepare these reports and forward them to the Department of Revenue and State Tax Commission upon assessment of current tax books.

## Recommendations

The County Clerk:

- 2.1 Maintain an account book with the County Collector for use in reviewing County Collector records.
- 2.2 Prepare the land and personal tax, and the railroad and utility tax, aggregate abstracts and timely file them with the Department of Revenue and State Tax Commission.

## Auditee's Response

- 2.1 *We have started generating reports from the computer system to compare to the County Collector's records.*
- 2.2 *This was an oversight and has been corrected.*

## 3. Recycling Center's Controls and Procedures

Controls and procedures at the Recycling Center need improvement. The Recycling Center accepts bagged household trash and some appliances (televisions, toilets) for a fee of \$2 or \$3 each, accepts recyclable materials (newspaper, cardboard, glass, plastics, etc.) and other appliances (washers, dryers, refrigerators, microwaves) at no cost, and sells recyclable materials. The Recycling Center collected approximately \$20,500 during the year ended December 31, 2022.

### 3.1 Segregation of duties

The County Commission has not adequately segregated accounting duties or performed adequate supervisory reviews of detailed accounting records at the Recycling Center. Both Recycling Center employees are able to collect and transmit receipts to the County Treasurer. The Recycling Center Manager indicated that both employees need to be able to complete all duties in case one is absent.

Proper segregation of duties is necessary to ensure transactions are accounted for properly and assets are adequately safeguarded. Internal controls would be improved by segregating the duties of collecting and transmitting receipts.





## Ozark County Management Advisory Report - State Auditor's Findings

If proper segregation of duties cannot be achieved, documented independent or supervisory reviews of detailed accounting records are essential and should include comparing receipts to transmittals.

### 3.2 Receipting and transmitting

Recycling Center personnel do not issue receipt slips for money received or ensure all receipts are recorded on the receipts log. Customers at the Recycling Center are expected to record their payments on the receipts log based on the amount paid. No reconciliation is performed between amounts recorded on the receipts log and receipts transmitted. As a result, there is no assurance that all money received has been properly recorded on the receipts log and transmitted to the County Treasurer. We performed a cash count on January 26, 2023, and identified receipts on hand totaling \$375. However, only \$116 in receipts were recorded on the log, resulting in \$259 in unrecorded receipts.

In addition, receipts are not always transmitted to the County Treasurer timely. Recycling Center personnel indicated receipts are transmitted to the County Treasurer when several receipts log pages have been completed. Our review of the March 2022 transmittal included receipts dating back to January 3, 2022.

To reduce the risk of loss, theft, or misuse of money received going undetected, procedures should be established to ensure all money received is properly posted to the receipts log and transmitted timely.

### Recommendations

The County Commission:

- 3.1 Segregate accounting duties or ensure adequate independent or supervisory reviews of detailed accounting records are performed and documented.
- 3.2 Ensure all receipts are posted to the receipts log when received, reconcile the receipts log to amounts transmitted, and transmit all receipts timely.

### Auditee's Response

- 3.1 *We have hired a third person to help with segregation. There will now be someone in the office 5 days a week to collect receipts.*
- 3.2 *We will start using pre-numbered receipt slips to record receipts and will use a computer spreadsheet to account for receipt slips and money transmitted. We will also ensure all receipts are transmitted at least monthly.*



Ozark County  
Management Advisory Report - State Auditor's Findings

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#### **4. Ex Officio Recorder of Deeds' Bank Reconciliations and List of Liabilities**

The former Ex Officio Recorder of Deeds did not perform adequate and timely bank reconciliations and did not prepare a monthly list of liabilities. The office collected approximately \$105,000 for marriage licenses, deeds, and other miscellaneous receipts during the year ended December 31, 2022.

Because adequate and timely bank reconciliations and a monthly list of liabilities were not prepared, an overage of \$416 first identified in February 2020, was not investigated and resolved until February 2023. In addition, a bank error of \$50 that occurred in December 2021 was not identified until December 2022 and resolved in January 2023.

The Office Administrator<sup>1</sup> performed bank reconciliations for all of 2022 in early 2023. The Office Administrator indicated that bank reconciliations had not been done because she did not have the time to complete them.

Performing adequate monthly bank reconciliations increases the likelihood errors will be identified and corrected timely. Regular identification and comparison of liabilities to the reconciled bank balance is necessary to ensure accounting records are in balance, all amounts received are disbursed, and money is available to satisfy all liabilities. Differences should be investigated and resolved.

A similar condition was noted in our prior audit report.

#### **Recommendation**

The Ex Officio Recorder of Deeds prepare adequate monthly bank reconciliations and lists of liabilities and reconcile the list of liabilities to the available cash balance. Any differences should be promptly investigated and resolved.

#### **Auditee's Response**

*The recommendation has been implemented.*

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#### **5. Sheriff's Compensation**

The County Commission authorized a mid-term salary increase totaling \$5,706 to the Sheriff in May 2022, in violation of constitutional provisions. The Sheriff took office in 2021 at the salary level approved by the Ozark County Salary Commission.

Section 57.317.1(2), RSMo, enacted in 2021, states the sheriff shall receive an annual salary computed based on a percentage of the compensation of an associate circuit judge of the county, with the percentage determined by a statutory schedule using the county's current assessed valuation level. The law states that if the increase to the Sheriff's salary is less than \$10,000, the

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<sup>1</sup> The Office Administrator is the former Ex Officio Recorder of Deeds. After the new Ex Officio Recorder of Deeds took office in January 2023, the former Ex Officio Recorder of Deeds continued employment with the office as the Office Administrator on a temporary, part-time basis.



## Ozark County Management Advisory Report - State Auditor's Findings

increase shall take effect January 1, 2022, but if the salary increase is more than \$10,000, the increase shall be paid equally over a 5-year period. However, Article VII, Section 13, of the Missouri Constitution prohibits an increase in compensation for state, county, and municipal officers during the term of office. Court cases have concluded that to receive additional compensation during a term of office there must be new or additional duties or the mid-term increase must result from the application of a statutory formula for calculating compensation that was in place prior to the individual being elected or taking office. Without either of these provisions, the increase to the Sheriff's salary should be effective only for any Sheriff elected and sworn into office after January 1, 2022.

The County Commission did not seek a written legal opinion on these matters and authorized the salary increase for the Sheriff. The total increase was calculated at \$32,606, to be paid over a 5-year period with an annual increase of \$6,521. The \$5,706 increase received in May 2022 was not for the full annual increase amount since it was not given until May, but the increase did include a cost of living adjustment. The County Clerk indicated that because there was pending litigation over the new state law, the county did not increase the Sheriff's salary until the litigation was dismissed. The County Clerk further indicated the salary was increased so the county would not be in violation of state law.

### Recommendation

The County Commission discontinue the mid-term salary increase and consider various methods for possible recoupment of money already paid.

### Auditee's Response

*Ozark County plans to continue to follow existing state law. If there are future legal actions or changes to state law, we will review accordingly.*

### Auditor's Comment

Article VII, Section 13, of the Missouri Constitution prohibits an increase in compensation for state, county, and municipal officers during the term of office. By increasing the Sheriff's salary in May 2022, the county is not in compliance with the Missouri Constitution.

## 6. Financial Reporting

Neither the County Commission nor the County Clerk submitted proof of publication of the county's financial statements for the years ended December 31, 2021, and 2022, to the State Auditor as required by state law. We observed the county's financial statements were published for each year; however, the County Clerk indicated not submitting proof of publication to the State Auditor was an oversight.



Ozark County  
Management Advisory Report - State Auditor's Findings

Section 50.815, RSMo, requires publication of the county's financial statements by June 30 of each year. Section 50.820.1,<sup>2</sup> RSMo, requires proof of publication be filed with the State Auditor.

**Recommendation**

The County Commission submit proof of publication of the county's financial statements to the State Auditor in accordance with state law.

**Auditee's Response**

*This was an oversight and we will submit the proof of publication for 2021 and 2022, and all future publications.*

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**7. Sunshine Law  
Public Access  
Policy**

The County Commission has not adopted a written policy regarding public access to county records as required by state law. A written policy regarding public access to county records would establish guidelines for the county to make records available to the public. Such policies typically identify a person to contact, provide an address to mail such requests, and establish fees that may be assessed for providing copies of public records. According to the County Clerk, the county is in the process of preparing a website with this information.

Section 610.023, RSMo, lists requirements for making records available to the public. To ensure compliance with this section, the county should document adequate information in a log to determine if requests are completed timely and all requests are adequately filled. The log information should include, the date of request, a brief description of the request, the date the request is completed, and any associated costs of fulfilling the request. Section 610.026, RSMo, allows the county to charge fees for providing access to and/or copies of public records and provides requirements related to fees. Section 610.028, RSMo, requires a written policy regarding release of information under the Sunshine Law.

**Recommendation**

The County Commission develop a written public access policy, and maintain a public request log or other documentation to help ensure compliance with state law.

**Auditee's Response**

*Public record requests as received are directed to the correct office. This is not a written policy and there is no request log. The county is currently making many IT and website improvements. The updated website will help this process and provide information on public access to county records. We will develop a written policy for each county official to maintain a log to help ensure compliance with state law.*

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<sup>2</sup> Prior to August 28, 2022, Section 50.810, RSMo, required filing proof of publication by April 1st each year. Section 50.810, RSMo, was repealed and the filing requirement moved to Section 50.820, RSMo.



Ozark County  
Management Advisory Report - State Auditor's Findings

## 8. Electronic Data Security

### 8.1 Passwords

Controls over county computers are not sufficient. As a result, county records are not adequately protected and are susceptible to unauthorized access or loss of data.

The County Assessor, County Collector, Ex Officio Recorder of Deeds, and Prosecuting Attorney have not established adequate password controls to reduce the risk of unauthorized access to computers and data. Employees in these offices are not required to change passwords periodically. In addition, employee passwords in the County Collector's office are not kept confidential. The County Assessor, County Collector, Ex Officio Recorder of Deeds, and Prosecuting Attorney indicated they did not recognize the importance of establishing and enforcing password controls in their offices until it was brought to their attention.

Passwords are necessary to authenticate access to computers. The security of computer passwords is dependent upon keeping them confidential. However, since passwords in certain offices are not required to be kept confidential and periodically changed, there is less assurance they are effectively limiting access to computers and data files to only those individuals who need access to perform their job responsibilities.

### 8.2 Security controls

Employees in the County Assessor's, Ex Officio Recorder of Deeds', and Sheriff's offices do not have security controls in place to lock computers after a specified number of incorrect logon attempts and/or after a certain period of inactivity. Personnel in these offices did not recognize the importance of ensuring these security controls are in place.

Logon attempt controls lock the capability to access a computer after a specified number of consecutive invalid logon attempts and are necessary to prevent unauthorized individuals from continually attempting to logon to a computer by guessing passwords. Inactivity controls are necessary to reduce the risk of unauthorized individuals accessing an unattended computer and having potentially unrestricted access to programs and data files. Without effective security controls, there is an increased risk of unauthorized access to computers and the unauthorized use, modification, or destruction of data.

### Similar conditions previously reported Recommendations

Similar conditions were noted in our 2 prior audit reports.

The County Commission work with other county officials to:

- 8.1 Require confidential passwords for each employee that are periodically changed to prevent unauthorized access to county computers and data.



Ozark County  
Management Advisory Report - State Auditor's Findings

- 8.2 Require county computers to have security controls in place to lock each computer after a specified number of incorrect logon attempts and after a certain period of inactivity.

## Auditee's Response

*The County Commission provided the following response:*

*As part of our IT improvements project, we will work with other county officials to improve password and security controls.*

*The Sheriff provided the following response:*

- 8.2 *Additional security controls are in place to lock screens after 15 minutes of inactivity. Accounts are also configured to now lock after five consecutive failed login attempts, requiring administrative intervention for unlocking.*

*We are in the process of enhancing our system security with the implementation of Personal Identity Verification (PIV) cards and Multi-Factor Authentication (MFA) to further secure access to our systems.*

## 9. Electronic Communication Policy

The county has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms.

Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of records. The guidelines for managing electronic communications records can be found on the Secretary of State's website.<sup>3</sup>

Development of a written policy to address the use of electronic communications is necessary to ensure all documentation of official business of the county is retained as required by state law. The County Clerk and the County Commission indicated they were unaware of the record retention requirements and the electronic communications guidelines.

<sup>3</sup> Missouri Secretary of State Records Services Division, *Electronic Communications Records Guidelines for Missouri Government*, May 14, 2019, is available at <<https://www.sos.mo.gov/CMSImages/LocalRecords/CommunicationsGuidelines.pdf>>, accessed July 24, 2023.



Ozark County  
Management Advisory Report - State Auditor's Findings

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**Recommendation**

The County Commission work with other county officials to develop a written records management and retention policy to address electronic communications management and retention to comply with Missouri Secretary of State Records Services Division electronic communications guidelines.

**Auditee's Response**

*We will consider and discuss how best to implement this recommendation.*



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# Ozark County

## Organization and Statistical Information

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Ozark County is a county-organized, third-class county. The county seat is Gainesville. The county's population was 8,553 in 2020, according to the U.S. Census Bureau.

Ozark County's government is composed of a three-member county commission and separate elected officials performing various tasks. All elected officials serve 4-year terms. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens. In addition to elected officials, the county employed 48 full-time employees and 8 part-time employees on December 31, 2022.

County operations also include a Recycling Center.

### Elected Officials

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below:

Officeholder	2023	2022
Johnnie M. Turner, Presiding Commissioner	\$	28,678
Gary Collins, Associate Commissioner		26,560
Layne Nance, Associate Commissioner		26,560
Becki Strong, Circuit Clerk and Ex Officio Recorder of Deeds (1)		
Brian Wise, County Clerk		40,242
Matthew T. Weatherman, Prosecuting Attorney		147,684
Cass Martin, Sheriff		48,282
Christy M. Thompson, County Treasurer		40,242
Gene Britt, County Coroner		11,649
Melinda Abraham, Public Administrator		40,242
Darla Sullivan, County Collector, year ended February 28,	40,575	
Jama M. Berry, County Assessor, year ended August 31,		39,495
Matt Wade, County Surveyor (2)		

(1) Compensation is paid by the state.

(2) Compensation on a fee basis.





**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Ray County, Missouri

The Office of the State Auditor contracted for an audit of Ray County's financial statements for the year ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized, with a large "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

November 2023  
Report No. 2023-081



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**Recommendations in the contracted audit of Ray County**

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2022-001	The County amend their 2023 budget, and adjust their budget format to include a cash reconciliation page to identify and discrepancies for each fund and ensure that every fund is included.
2022-002	The Sheriff's office implement procedures to ensure monthly bank reconciliations are maintained and performed in a timely manner. Also the Sheriff's office implement procedures to deposits funds received in the office into the bank as frequently as possible, at least on a weekly basis.
2022-003	The Recorder ensure an account reconciliation is performed for their bank account each month.
2022-004	The County implement procedures to ensure credit cards are secured and limited to authorized users. Further, the County implement procedures to ensure purchases are authorized, and supporting documentation is provided to the County Clerk in a timely manner. Additionally, the County implement procedures to ensure credit card statements are paid in a timely manner to avoid any late fees and interest charges.
2022-005	The Senior Services' Board implement procedures to ensure that all transactions are recorded timely.
2023-006	The County implement internal controls to ensure that the Schedule of Expenditures of Federal Awards (SEFA) completely and accurately states the expenditures of federal awards of the County each year, such as performing a reconciliation between the SEFA and underlying accounting records.

ANNUAL FINANCIAL REPORT

**RAY COUNTY, MISSOURI**

For the Year Ended  
December 31, 2022

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

RAY COUNTY, MISSOURI  
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## **INTRODUCTORY SECTION**

RAY COUNTY, MISSOURI  
List of Elected Officials 2022

*County Commission*

Presiding Commissioner – Bob King

Commissioner, Western District – Gary Wilhite

Commissioner, Eastern District – David Powell

*Other Elected Officials*

Assessor – Kent Wollard

Circuit Clerk – Kim Oyler-Hook

Collector – Julie Chowning

Treasurer – Melissa Holloway

County Clerk – Glenda Powell

Coroner – Bartley Willim

Prosecuting Attorney – Camille Johnston

Public Administrator – Shannon Wollard

Recorder – Shirley O'Dell

Sheriff – Scott Childers

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Ray County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Ray County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Ray County, Missouri, as of December 31, 2022, and their respective cash receipts and disbursements, and budgetary results for the year then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Ray County, Missouri, as of December 31, 2022, or the changes in financial position thereof for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ray County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Ray County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ray County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Ray County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 28, 2023, on our consideration of Ray County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Ray County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 28, 2023

RAY COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
- ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

Fund	Cash and Cash Equivalents January 1	Receipts	Disbursements	Cash and Cash Equivalents December 31
General Revenue	\$ 894,017	\$ 4,780,314	\$ 4,688,021	\$ 986,310
Special Road & Bridge	381,241	3,666,519	2,915,006	1,132,754
Assessment	403,572	390,588	402,608	391,552
Collector Tax Maintenance	47,676	57,230	45,736	59,170
Sheriff Training	1,673	1,931	2,829	775
Prosecuting Attorney Training	397	2,431	2,341	487
Domestic Violence	2,353	3,634	3,820	2,167
Prosecuting Attorney Delinquent Tax	1,562	2,721	3,067	1,216
Recorder	26,321	14,722	2,451	38,592
Noxious Weeds	149,499	106,445	156,005	99,939
Sheriff Account	6,818	10,620	14,089	3,349
Administrative Handling Cost	321	4,441	4,586	176
Law Enforcement Restitution	73,790	26,211	42,122	57,879
Sheriff's Extradition	9,570	-	156	9,414
Sheriff's Revolving	27,702	11,635	39,250	87
Inmate Prisoner Detainee	32,380	86,441	31,307	87,514
Emergency Planning	-	9,589	9,589	-
Disaster Aid	-	839,138	268,111	571,027
Election 5%	13,868	5,115	1,094	17,889
Sheriff's POST Certification	-	757	757	-
Building & Grounds Capital Improvements	360,108	303,120	134,793	528,435
2021 American Rescue Plan Act	2,236,196	2,238,608	553,172	3,921,632
Senior Services Board	440,422	186,599	131,733	495,288
Total	\$ 5,109,486	\$ 12,748,809	\$ 9,452,643	\$ 8,405,652

The accompanying Notes to the Financial Statements are an integral part of this statement.

RAY COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	GENERAL REVENUE FUND	
	Budget	Actual
RECEIPTS		
Property taxes	\$ -	\$ -
Sales taxes	3,000,300	3,157,563
Intergovernmental	728,068	554,870
Charges for services	839,953	800,323
Interest	2,500	1,319
Other	-	47,331
Transfers in	186,158	218,908
Total Receipts	<u>\$ 4,756,979</u>	<u>\$ 4,780,314</u>
DISBURSEMENTS		
County Commission	\$ 162,535	\$ 153,031
County Clerk	144,068	131,405
Elections	168,004	116,093
Building and Grounds	343,928	283,981
Employee Fringe Benefits	454,461	474,045
Treasurer	69,851	65,271
Collector	153,581	143,882
Recorder of Deeds	121,706	119,288
Circuit Court	62,127	57,829
Court Administration	66,660	117,431
Public Administrator	114,141	105,651
Sheriff	887,671	836,526
Jail	793,040	905,355
Prosecuting Attorney	476,972	476,712
Juvenile Officer	62,850	58,873
Coroner	53,565	58,747
Other County Government	530,230	364,993
Transfers out	218,909	218,908
Emergency Fund	-	-
Total Disbursements	<u>\$ 4,884,299</u>	<u>\$ 4,688,021</u>
RECEIPTS OVER (UNDER)		
DISBURSEMENTS	\$ (127,320)	\$ 92,293
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>894,017</u>	<u>894,017</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 766,697</u>	<u>\$ 986,310</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

RAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SPECIAL ROAD & BRIDGE FUND		ASSESSMENT FUND		COLLECTOR TAX MAINTENANCE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ 872,000	\$ 914,691	\$ -	\$ -	\$ -	\$ -
Sales taxes	1,000,100	1,061,862	-	-	-	-
Intergovernmental	2,148,468	1,078,854	397,430	377,707	-	-
Charges for services	95,660	97,962	90,220	12,287	-	57,156
Interest	1,850	1,131	2,100	594	-	73
Other	200	25,000	-	-	-	-
Transfers in	218,909	487,019	-	-	-	-
Total Receipts	<u>\$ 4,337,187</u>	<u>\$ 3,666,519</u>	<u>\$ 489,750</u>	<u>\$ 390,588</u>	<u>\$ -</u>	<u>\$ 57,229</u>
DISBURSEMENTS						
Salaries	\$ 614,600	\$ 460,401	\$ 204,528	\$ 194,369	\$ 15,000	\$ 10,000
Employee fringe benefits	98,028	67,970	84,324	60,752	-	-
Materials and supplies	215,000	210,079	15,430	13,525	9,000	7,446
Services and other	732,505	787,055	162,218	104,391	11,500	13,406
Capital outlay	300,500	275,494	13,250	29,571	14,600	14,884
Construction	2,253,550	895,099	-	-	-	-
Transfers out	218,909	218,908	-	-	-	-
Total Disbursements	<u>\$ 4,433,092</u>	<u>\$ 2,915,006</u>	<u>\$ 479,750</u>	<u>\$ 402,608</u>	<u>\$ 50,100</u>	<u>\$ 45,736</u>
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (95,905)	\$ 751,513	\$ 10,000	\$ (12,020)	\$ (50,100)	\$ 11,493
CASH AND CASH EQUIVALENTS, JANUARY 1	381,241	381,241	403,572	403,572	47,676	47,676
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 285,336</u>	<u>\$ 1,132,754</u>	<u>\$ 413,572</u>	<u>\$ 391,552</u>	<u>\$ (2,424)</u>	<u>\$ 59,169</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

RAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SHERIFF TRAINING FUND		PROSECUTING ATTORNEY TRAINING FUND		DOMESTIC VIOLENCE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	2,550	1,929	2,775	2,430	3,970	3,632
Interest	7	2	6	1	8	2
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 2,557	\$ 1,931	\$ 2,781	\$ 2,431	\$ 3,978	\$ 3,634
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	130	309	-	-
Services and other	4,230	2,829	2,651	2,032	3,947	3,820
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 4,230	\$ 2,829	\$ 2,781	\$ 2,341	\$ 3,947	\$ 3,820
RECEIPTS OVER (UNDER)	\$ (1,673)	\$ (898)	\$ -	\$ 90	\$ 31	\$ (186)
DISBURSEMENTS						
CASH AND CASH EQUIVALENTS, JANUARY 1	1,673	1,673	397	397	2,353	2,353
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ 775	\$ 397	\$ 487	\$ 2,384	\$ 2,167

The accompanying Notes to the Financial Statements are an integral part of these statements.

RAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	PROSECUTING ATTORNEY DELINQUENT TAX FUND		RECORDER FUND		NOXIOUS WEEDS FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 93,020	\$ 106,141
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	110	122
Charges for services	4,266	2,720	14,000	14,683	-	-
Interest	5	1	50	39	800	182
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 4,271	\$ 2,721	\$ 14,050	\$ 14,722	\$ 93,930	\$ 106,445
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 75,542	\$ 73,926
Employee fringe benefits	-	-	-	-	9,673	15,409
Materials and supplies	-	175	1,500	1,281	5,000	19,474
Services and other	4,271	2,892	1,000	802	39,500	40,425
Capital outlay	-	-	5,000	368	2,000	6,771
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 4,271	\$ 3,067	\$ 7,500	\$ 2,451	\$ 131,715	\$ 156,005
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ -	\$ (346)	\$ 6,550	\$ 12,271	\$ (37,785)	\$ (49,560)
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	1,562	1,562	26,321	26,321	149,499	149,499
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	\$ 1,562	\$ 1,216	\$ 32,871	\$ 38,592	\$ 111,714	\$ 99,939

The accompanying Notes to the Financial Statements are an integral part of these statements.

RAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SHERIFF ACCOUNT FUND		ADMINISTRATIVE HANDLING COST FUND		LAW ENFORCEMENT RESTITUTION FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	1,260	-	-	-	500	13,500
Charges for services	11,300	10,615	4,200	4,440	16,625	12,625
Interest	17	5	-	1	345	86
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 12,577	\$ 10,620	\$ 4,200	\$ 4,441	\$ 17,470	\$ 26,211
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	2,000	1,047	100	330	-	-
Services and other	8,718	6,315	4,100	2,258	-	-
Capital outlay	5,433	6,727	-	1,998	91,244	42,122
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 16,151	\$ 14,089	\$ 4,200	\$ 4,586	\$ 91,244	\$ 42,122
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (3,574)	\$ (3,469)	\$ -	\$ (145)	\$ (73,774)	\$ (15,911)
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	6,818	6,818	321	321	73,790	73,790
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u>\$ 3,244</u>	<u>\$ 3,349</u>	<u>\$ 321</u>	<u>\$ 176</u>	<u>\$ 16</u>	<u>\$ 57,879</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



RAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SHERIFF'S EXTRADITION FUND		SHERIFF'S REVOLVING FUND		INMATE PRISONER DETAINEE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	9,000	-	23,500	7,925	33,350	86,377
Interest	15	-	900	23	47	64
Other	-	-	-	3,687	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 9,015	\$ -	\$ 24,400	\$ 11,635	\$ 33,397	\$ 86,441
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	20,600	313	-	-
Services and other	-	156	17,800	38,937	52,500	31,307
Capital outlay	-	-	8,000	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ -	\$ 156	\$ 46,400	\$ 39,250	\$ 52,500	\$ 31,307
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 9,015	\$ (156)	\$ (22,000)	\$ (27,615)	\$ (19,103)	\$ 55,134
CASH AND CASH EQUIVALENTS, JANUARY 1	9,570	9,570	27,702	27,702	32,380	32,380
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 18,585	\$ 9,414	\$ 5,702	\$ 87	\$ 13,277	\$ 87,514

The accompanying Notes to the Financial Statements are an integral part of these statements.

RAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	EMERGENCY PLANNING FUND		DISASTER AID FUND		ELECTION 5% FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	9,589	-	839,138	-	-
Charges for services	-	-	-	-	7,000	5,100
Interest	-	-	-	-	33	15
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ -	\$ 9,589	\$ -	\$ 839,138	\$ 7,033	\$ 5,115
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	9,589	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	-	-	-	-	3,900	1,094
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	268,111	-	-
Total Disbursements	\$ -	\$ 9,589	\$ -	\$ 268,111	\$ 3,900	\$ 1,094
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ 571,027	\$ 3,133	\$ 4,021
CASH AND CASH EQUIVALENTS, JANUARY 1	-	-	-	-	13,868	13,868
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ 571,027	\$ 17,001	\$ 17,889

The accompanying Notes to the Financial Statements are an integral part of these statements.

RAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SHERIFF'S POST CERTIFICATION FUND		BUILDINGS & GROUNDS CAPITAL IMPROVEMENTS FUND		2021 AMERICAN RESCUE PLAN ACT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ 290,510	\$ 302,182	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	320	443	2,235,489	2,235,489
Charges for services	900	757	-	-	-	-
Interest	-	-	300	495	2,000	3,119
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 900	\$ 757	\$ 291,130	\$ 303,120	\$ 2,237,489	\$ 2,238,608
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ 40,000	\$ 43,722	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	900	757	268,000	91,071	4,473,685	553,172
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 900	\$ 757	\$ 308,000	\$ 134,793	\$ 4,473,685	\$ 553,172
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ -	\$ -	\$ (16,870)	\$ 168,327	\$ (2,236,196)	\$ 1,685,436
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	-	-	360,108	360,108	2,236,196	2,236,196
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	\$ -	\$ -	\$ 343,238	\$ 528,435	\$ -	\$ 3,921,632

The accompanying Notes to the Financial Statements are an integral part of these statements.

RAY COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
 - BUDGET AND ACTUAL - REGULATORY BASIS  
 YEAR ENDED DECEMBER 31, 2022

	SENIOR SERVICES BOARD FUND	
	Budget	Actual
RECEIPTS		
Property taxes	\$ 174,866	\$ 185,157
Sales taxes	-	-
Intergovernmental	-	-
Charges for services	-	-
Interest	2,000	1,436
Other	-	-
Transfers in	-	-
Total Receipts	<u>\$ 176,866</u>	<u>\$ 186,593</u>
DISBURSEMENTS		
Salaries	\$ -	\$ -
Employee fringe benefits	-	-
Materials and supplies	-	-
Services and other	176,866	131,727
Capital outlay	-	-
Construction	-	-
Transfers out	-	-
Total Disbursements	<u>\$ 176,866</u>	<u>\$ 131,727</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ 54,866
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>440,422</u>	<u>440,422</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 440,422</u></u>	<u><u>\$ 495,288</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

RAY COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

Fund/Account	Cash and Cash Equivalents January 1	Receipts	Disbursements	Cash and Cash Equivalents December 31
Treasurer's Unclaimed Property	\$ 163	-	\$ -	\$ 163
Treasurer's County School Interest	63,366	124,887	126,431	61,822
Treasurer's Time Payment	2,367	474	-	2,841
Treasurer's Law Library	43,906	11,483	9,166	46,223
Treasurer's Tax Sale Surplus	130,214	158,757	250,586	38,385
Treasurer's State Retirement	-	325,765	325,765	-
Treasurer's Drug Court	30,495	11,042	15,039	26,498
Treasurer's Deputy Sheriff Salary	-	5,100	5,100	-
Treasurer's School Revolving	3,143	3,812	4,990	1,965
Treasurer's Account	-	24,639,696	24,639,696	-
Collector	18,739,817	33,485,772	31,605,949	20,619,640
Sheriff	76,651	565,255	544,782	97,124
Prosecuting Attorney	26,626	49,374	44,362	31,638
Recorder	20,858	199,892	206,654	14,096
Public Administrator	7,505,291	1,874,886	2,859,752	6,520,425
County Clerk's Election Funds	20,451	163,792	164,045	20,198
County Clerk's Cemetery Maintenance	1,535	1	-	1,536
County Clerk's School and Cemetery	15,380	15	-	15,395
Total	\$ 26,680,263	\$ 61,620,003	\$ 60,802,317	\$ 27,497,949

The accompanying Notes to the Financial Statements are an integral part of this statement.

RAY COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Ray County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are ten elected Constitutional Officers: Assessor, Circuit Clerk, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder, Sheriff and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Ray County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. However, the County budgeted a negative ending fund balance for the Collector Tax Maintenance Fund.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following funds: Noxious Weeds, Administrative Handling Cost, Sheriff's Extradition, Emergency Planning, and Disaster Aid.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022, for purposes of taxation were:

	2022
Real Estate	\$ 232,875,350
Personal Property	105,706,625
Railroad and Utilities	81,575,752
Total	<u>\$ 420,157,727</u>

For calendar year 2022, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022
Capital Improvements	\$ 0.0756
Developmental Dis. Board	0.1712
Noxious Weed	0.0400
Senior Services	0.0461

#### F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

#### G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.



## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 8,124,626	\$ 8,698,532	\$ 464,729
Investments - Governmental Funds	281,026	281,026	250,000
Total Governmental Funds	<u>\$ 8,405,652</u>	<u>\$ 8,979,558</u>	<u>\$ 714,729</u>
Cash and Cash Equivalents - Fiduciary Funds	\$ 27,496,925	\$ 26,394,174	\$ 692,181
Investments - Fiduciary Funds	1,024	1,024	1,024
Total Fiduciary Funds	<u>\$ 27,497,949</u>	<u>\$ 26,395,198</u>	<u>\$ 693,205</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

## 3. COUNTY EMPLOYEES' RETIREMENT PLANS

### A. Missouri Local Government Employees Retirement System (LAGERS)

#### 1) Plan Description

Ray County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

## 2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

## 3) Funding Policy

Full-time employees of Ray County do not contribute to the pension plan. The January 1st statutorily required contribution rates were 5.1% (General), and 10.8% (Police) of annual covered payroll for 2022 respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the year ended December 31, 2022, the County contributed \$91,685 to LAGERS.

## B. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

### 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior

plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

### 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. The County has elected not to make contributions on behalf of employees. During 2022, the County collected and remitted to CERF employee withholdings of \$96,048 for the year then ended.

### C. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$11,628 for the year ended December 31, 2022.

### D. Other Retirement Plan

Ray County has a voluntary 457(b) plan which is paid by a deduction from employee's salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2022 were \$54,008.

## 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

## 5. CLAIMS, COMMITMENT AND CONTINGENCIES

### A. Compensated Absences

The County provides full-time employees with eight hours of sick leave for each completed calendar month of employment, up to a maximum of 168 hours. Upon either retirement or other separation, employees will be compensated at the final rate of pay for any unused sick time.

Vacation time is accrued for every full-time employee beginning with the second year of employment at a rate of two weeks per year. Employees with eight or more years of employment earn three weeks per year of vacation leave. Any days not used by the end of the year will be lost. Upon voluntary separation, an employee may receive compensation for unused accrued vacation leave.

Full-time employees earn overtime or compensatory time credits based on department assignment. Overtime and Compensatory Time credits are earned at 1.5 times the regular hourly rate of the employee for work hours accumulated over 40 hours in a work week and 80 hours in a two-week pay period. Upon termination, employees are compensated for any compensatory time credits.

### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

### C. Litigation

The County was involved in pending litigation as of the audit report date. The County's management and legal counsel anticipate that potential claims, if any, against the County resulting from such litigation would not have a material effect on the financial position of the County.

## 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2022:

- A. In January 2016, the County entered into a \$180,000 cancellable lease agreement for a 2016 Caterpillar Motor Grader, under which the County could purchase the motor grader at the end of the lease for \$82,960 in 2023. The agreement calls for seven annual payments of \$17,478 ending in 2022.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 82,646	\$ 314	\$ 82,960

- B. In January 2016, the County entered into a \$171,663 cancellable lease agreement for a 2016 Caterpillar Motor Grader, under which the County could purchase the motor grader at the end of the lease for \$75,680 in 2023. The agreement calls for seven annual payments of \$17,105 ending in 2022.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 75,393	\$ 287	\$ 75,680

- C. In January 2020, the County entered into a \$165,000 cancellable lease agreement for a 2014 John Deere Motor Grader. The agreement called for an initial \$50,000 payment and three subsequent annual payments of \$41,384 ending in 2023.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 39,883	\$ 1,501	\$ 41,384

- D. In May 2020, The County entered into a \$71,023 cancellable lease agreement for a John Deere Loader. The agreement called for four annual payments of \$19,696 ending in 2024.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 18,112	\$ 1,584	\$ 19,696
2024	18,888	808	19,696
Total	<u>\$ 37,000</u>	<u>\$ 2,392</u>	<u>\$ 39,392</u>

- E. In December 2020, the County entered into a \$212,862 cancellable lease agreement for a 2016 John Deere Motor Grader. The agreement called for an initial \$25,000 payment and four subsequent annual payments of \$49,230 ending in 2024.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 46,413	\$ 2,817	\$ 49,230
2024	47,801	1,429	49,230
Total	<u>\$ 94,214</u>	<u>\$ 4,246</u>	<u>\$ 98,460</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
Caterpillar Motor Grader	\$ 97,690	\$ -	\$ (17,478)	\$ 80,212	\$ 2,865
Caterpillar Motor Grader	90,273	-	(17,105)	73,168	2,652
2014 JD Motor Grader	78,319	-	(41,384)	36,935	2,948
2020 JD Loader	54,368	-	(19,696)	34,672	2,328
2016 JD Motor Grader	139,279	-	(49,230)	90,049	4,165

#### 8. OPERATING LEASES

At December 31, 2022, the Prosecuting Attorney has a non-cancellable 39-month lease for a copier through April 2023, with a monthly payment of \$227. The following schedule represents future payments under operating leases:

Fiscal Year Ending December 31,	Amount
2023	\$ 907

#### 9. LINES OF CREDIT

The County has an annual revolving line of credit with Community Bank of Missouri for the General Revenue and Special Road and Bridge Funds for \$100,000 and \$150,000, respectively. The County did not draw down any funds during 2022, and the County terminated their line of credit as of the date of the audit report.

#### 10. RESTATEMENT

The balance of the Sheriff's Fiduciary Fund at January 1, 2021 has been restated to revise the balance of the Sheriff at December 31, 2021. The restatement increased the beginning balance by \$26,030.

#### 11. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 28, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Commission and  
Officeholders of Ray County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Ray County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements, which collectively comprise Ray County, Missouri's basic financial statements and have issued our report thereon dated August 28, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Ray County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ray County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Ray County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, 2022-003, 2022-004, 2022-005 and 2022-006 that we consider to be significant deficiencies.



## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Ray County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

## **Ray County, Missouri's Response to Findings**

Ray County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Ray County, Missouri's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 28, 2023

## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Ray County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Ray County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Ray County, Missouri's major federal programs for the year ended December 31, 2022. Ray County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Ray County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Ray County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Ray County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Ray County, Missouri's federal programs.

## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Ray County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Ray County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Ray County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Ray County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Ray County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we did identify significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-06 that we consider to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on Ray County, Missouri's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Ray County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 28, 2023

RAY COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures
	U. S. DEPARTMENT OF JUSTICE		
16.575	Passed through Missouri Department of Public Safety - Crime Victim Assistance	n/a	\$ 33,802
	U. S. DEPARTMENT OF TRANSPORTATION		
20.205	Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO-B089(28)	2,990
		BRO-B089(30)	63,714
		BRO-B089(31)	40,441
		BRO-B089(32)	15,769
			<u>\$ 122,914</u>
	U. S. DEPARTMENT OF THE TREASURY		
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	n/a	553,172
39.011	U. S. GENERAL SERVICES ADMINISTRATION		
	Election Reform Payments	n/a	9,315
	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
93.563	Passed through Missouri Department of Social Services - Child Support Enforcement	n/a	42,134
	U. S. DEPARTMENT OF HOMELAND SECURITY		
97.067	Homeland Security Grant Program	n/a	<u>6,874</u>
	Total Expenditures of Federal Awards		<u>\$ 768,211</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**RAY COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Ray County, Missouri for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUBRECIPIENTS**

The County did not pass any federal awards through to subrecipients during the year ended December 31, 2022.

RAY COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2022

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported
- Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?   X   Yes      No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

## **SECTION II – FINANCIAL STATEMENTS FINDINGS**

### **MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

### **SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

#### **2022-001: Reconciliation Between The Budget and Treasurer’s Settlement**

Criteria: In accordance with RSMo 54.290, the County Treasurer must present a full and complete annual settlement of their accounts. Additionally, RSMo 50.540 and 50.550 requires the County to prepare and submit a complete financial plan for the ensuing fiscal year compared with the corresponding figures for the last completed fiscal year. Further, a proper system of internal controls is required in the financial reporting system and for the fair presentation of the financial statements.

Condition: The Treasurer’s Settlement and the County’s Budget did not reconcile to each other, and noted discrepancies between the ending balances of the General Revenue, Special Road & Bridge, Assessment, Collector Tax Maintenance, Prosecuting Attorney Training, Recorder, Noxious Weed, Sheriff’s Account, Sheriff’s Extradition, Sheriff’s Revolving Funds, and Disaster Aid funds as follows:

	<u>Revenue Adjustment</u>	<u>Expense Adjustment</u>
General Revenue	\$ -	\$ 79,544
Special Road & Bridge	-	21,512
Assessment	-	18,411
Collector Tax		
Maintenance	-	11,673
Prosecuting Attorney	-	75
Recorder	-	494
Noxious Weeds	-	5,920
Sheriff Account	-	606
Sheriff's Extradition	-	157
Sheriff's Revolving Fund	-	4,811
Disaster Aid	839,138	268,111

Cause: The County presented the 2023 budget in a new format that was exported from their accounting system, InCode. Before exporting the budget from InCode, the Treasurer and County Clerk had inactivated several line items for service-related expenses in order to combine them into one account for the upcoming fiscal year. Additionally, the new budget format did not include a cash reconciliation page to identify the discrepancies, and it did not include the fund activity for the Disaster Aid fund.

Effect: Adequate financial reporting ensures that the County’s financial statements are fairly presented.

Recommendation: We recommend the County amend their 2023 budget, and adjust their budget format to include a cash reconciliation page to identify any discrepancies for each fund and ensure that every fund is included.



County's Response: March of 2023 the County Clerk and County Treasurer began consolidating some account headings, and deactivating the ones that would not be used moving forward. Unbeknownst to them, deactivating said account numbers that would no longer be utilized in 2023, the software system, InCode also deactivated those account numbers from prior years as well. This issue was brought to our attention during the audit in July 2023 when a budget report was run for the auditor. Once the deactivated account numbers were reactivated, the prior year's account numbers re-appeared on the budget report and then balanced with the Treasurer's Settlement as they did in January 2023. We will amend our 2023 budget in October 2023.

Auditor's Evaluation: The response is appropriate to correct the concern.

### **2022-002: Sheriff's Internal Control Over Cash**

Criteria: A proper system of internal controls requires the reconciliation between the accounting and bank records to be accurately completed within a timely manner and that cash receipts be deposited as frequently as possible to reduce the opportunity for misappropriation.

Condition: Our review of the Sheriff's bank reconciliations noted instances in which the bank reconciliations were not performed timely. The bank reconciliations for December 2022 for the Sheriff's Commissary, Bond, Inmate, Explorers, Community Fund, Inmate Security Fund, and Monetary Evidence bank accounts were not performed until April 25, 2023, and bank reconciliation for December 2022 for the Civil bank account was not reconciled until March 3, 2023. Total funds on hand in these accounts was \$86,879 as of December 31, 2022.

During our audit, we noted that the Sheriff's office is not depositing receipts for Report, Trailer Inspection, and Sex Offender fees into their bank accounts. Instead, the receipts are held in a safe and turned over to the Treasurer for deposit at least once a month. The average amount turned over at one time was \$375. Additionally, the Clerk, Office Manager, Lieutenant, Undersheriff, and Sheriff have access to the safe.

Cause: The Sheriff's office did not have procedures in place to ensure timely reconciliations were performed. Additionally, the Sheriff's office did not implement procedures to timely deposit receipts received for certain fees collected for the County, and did not consider restricting access to the safe to reduce the risk of misappropriation.

Effect: Performing timely bank reconciliations ensures that any misstatements are detected and corrected in a timely manner. Depositing cash and checks received into the bank as frequently as possible increases the safety of the assets and reduces the risk of misappropriation.

Recommendation: We recommend that the Sheriff's office implement procedures to ensure monthly bank reconciliations are maintained and performed in a timely manner. We also recommend that the Sheriff's office implement procedures to deposit funds received in the office into the bank as frequently as possible, at least on a weekly basis.

County's Response: Beginning in April 2023, our office clerk has been performing bank reconciliations monthly. Those reconciliations are signed off on by the Sheriff.

Auditor's Evaluation: The response is appropriate to correct the concern.

### **2022-003: Recorder's Bank Reconciliations**

Criteria: A proper system of internal controls requires the reconciliation between the accounting and bank records to be accurately completed within a timely manner.

Condition: The Recorder's office did not perform the December 2022 reconciliation for the Recorder bank account. Total funds on hand in the account was \$14,097 as of December 31, 2022.

Cause: Formal bank reconciliation of the Recorder bank account for December 2022 was not performed.

Effect: Performing timely bank reconciliations ensures that any misstatements are detected and corrected in a timely manner. Depositing cash and checks received into the bank as frequently as possible increases the safety of the assets and reduces the risk of misappropriation.

Recommendation: We recommend the Recorder ensure an account reconciliation is performed for their bank account each month.

County's Response: We do have a bank reconciliation procedure in effect. Said procedure is to reconcile the bank statement the same day it is received in the mail. The December 2022 bank statement was available for your review, unfortunately my bank reconciliation sheet for December 2022 was not attached. I will continue to reconcile the bank statements monthly the day they are received and ensure that the reconciliation sheet is attached prior to filing away.

Auditor's Evaluation: The response is appropriate to correct the concern.

### **2022-004: Internal Control Over Credit Cards**

Criteria: A proper system of internal controls requires adequate custodial control over credit cards, appropriate approval and documentation of purchases, and timely payment to avoid interest and late charges.

Condition: Our review of the credit card statements during the audit period noted that \$51 in fees were paid by the County. After inquiry, we noted that multiple credit cards are provided to Elected Officials and Department Heads, who are required to submit supporting documentation to the County Clerk's office before their credit card statement can be paid. The County Clerk's office experienced issues in which the credit card holder did not provide the supporting documentation in a timely manner, which resulted in late fees and interest charges.

Cause: The County provided multiple credit cards to Elected Officials and Department Heads, and have not implemented proper procedures to ensure supporting documentation are submitted timely, and ensure credit card statements are paid timely.

Effect: Lack of oversight of credit cards purchases increases the likelihood that cards could be used for inappropriate or personal charges. Additionally, untimely payment of credit card statements could result in late fees and interest charges.

Recommendation: We recommend the County implement procedures to ensure credit cards are secured and limited to authorized users. Further, we recommend the County implement procedures to

ensure purchases are authorized, and supporting documentation is provided to the County Clerk in a timely manner. Additionally, we recommend the County implement procedures to ensure credit card statements are paid in a timely manner to avoid any late fees and interest charges.

County's Response: The County Commissioners have implemented procedures to ensure credit card statements will no longer incur late fees due to supporting documentation not being submitted to the County Clerk's office in a timely manner.

Auditor's Evaluation: The response is appropriate to correct the concern.

#### **2022-005: Senior Services' Internal Control Over Financial Reporting**

Criteria: A proper system of internal controls is required in the financial reporting system and for the fair presentation of the financial statements. In accordance with the cash basis of accounting used to prepare the County budgets and financial statements, transactions are recognized when amounts are received or disbursed in cash.

Condition: Our review of the Senior Services' Board bank reconciliation for December 31, 2022 noted an instance in which check number 3113, in the amount of \$229,000, was reported as outstanding. After reviewing the general ledger for the year ended December 31, 2022, we noted that the check was not included in their financials. Further, we noted that the last check number included in the general ledger was 3107. After inquiry, we noted that the check was written out of sequence, and noted that the check was written on December 29<sup>th</sup>, 2022 and cleared on January 3, 2023.

Cause: The checks are not generated from QuickBooks and requires the checks to be manually posted in the accounting system, which resulted in a timing difference between the checkbook balance and the cash balance in the financial statements.

Effect: Due to the error, the balances for cash and disbursements have been misstated, and required adjustments to fairly present the County's financial statements.

Recommendation: We recommend the Senior Services' Board implement procedures to ensure that all transactions are recorded timely.

County's Response: On December 29, 2022, the RCSSB chairman and the RCSSB financial secretary met with the RCSSB bookkeeper and signed the checks for the services rendered to clients in the month of December. They were checks numbered 3108-3112. They were pre-dated 01-01-2023. Later that day, the RCSSB chairman and the RCSSB financial secretary met with the RCSSB bookkeeper at the Edward Jones investment office. Check #3113 was written and dated 12-29-2022 for \$229,000.00 to Edward Jones. It was signed by the RCSSB chairman and the RCSSB financial secretary. None of these checks cleared the Community Bank of Missouri until 2023. Any checks written and mailed/presented to the payee will be included in the financial statements in the year in which they were mailed/presented.

Auditor's Evaluation: The response is appropriate to correct the concern.

## ITEM OF NONCOMPLIANCE

### SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

#### 2022-006: Internal Control Over Schedule of Expenditures of Federal Awards

Federal Grantor: U.S. Department of Justice, U.S. General Services Administration, U.S. of Health and Human Services, and U.S. Department of Homeland Security

Pass-Through Grantor: Missouri Department of Social Services, Missouri Department of Transportation, Missouri Department of Public Safety, Missouri State Treasurer's Office

Federal ALN Number: 16.575, 39.011, 95.563, 97.036, and 97.067

Program Title: Crime Victim Assistance; Election Reform Payments; Child Support Enforcement; Disaster Grants – Public Assistance (Presidentially Declared Disasters); Homeland Security Grant.

Pass-through Entity Identifying Number: FEMA (4451, 4612)

Award Year: 2022

Criteria: 2 CFR 200.510(b) requires auditees to prepare a schedule of expenditures of federal awards which must report total federal awards expended during the audit period. At a minimum, the schedule must include: expenditures by individual federal program, name of the pass-through entity and identifying number for awards not received directly from the federal government, and the total amount provided to subrecipients from each federal program. The County has not implemented proper internal controls to ensure the completeness and accuracy of the SEFA.

Condition: The schedules of expenditures of federal awards (SEFA) reported by the County in the 2023 annual budget document contained errors in amounts of federal expenditures reported.

Discrepancies in amounts reported on the 2022 SEFA and amount supported by underlying accounting records are summarized as follows:

Assistance					
Federal Agency	Listing Number	Program	Original SEFA	Supported	Difference
DOJ	16.575	Crime Victim Assistance	\$ 22,090	\$ 33,802	\$ (11,712)
GSA	39.011	Election Reform Payments	36,341	9,315	27,026
HHS	95.563	Child Support Enforcement	40,996	42,134	(1,138)
DHS	97.036	Disaster Grants - Public Assistance	839,138	-	839,138
DHS	97.067	Homeland Security Grant Program	2,465	6,874	(4,409)

Cause: The County Clerk did not prepare an accurate SEFA for the year ending December 31, 2022. This was caused by the reporting of the receipt of federal funds rather than the amount expended.

Effect: The SEFA presented for audit did not accurately reflect the County's actual expenditures of federal awards for the year ended December 31, 2022.

Recommendation: We recommend that the County implement internal controls to ensure that the SEFA completely and accurately states the expenditures of federal awards of the County each year, such as performing a reconciliation between the SEFA and underlying accounting records.

County's Response: Moving forward, the County Clerk will ensure that the SEFA accurately states the expenditures of federal awards each year by performing a reconciliation between the SEFA and accounting records.

Auditor's Evaluation: The response is appropriate to correct the concern.

**MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:**

- **Summary Schedule of Prior Audit Findings**
  - **Corrective Action Plan**



**Ray County Clerk**  
*Heather Maulsby*  
**RAY COUNTY COURTHOUSE**  
**100 W. MAIN ST.**  
**RICHMOND, MISSOURI 64085**  
**(816) 776-4503**  
**FAX: (816) 776-4512**

**11/2/2023**

**RAY COUNTY, MISSOURI**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Ray County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2021.

**2021-001:** The Sheriff's office did not perform reconciliations of monthly bank statements for the Commissary account, Bond account, Inmate account, and Explorers account during 2021.

Status: Not resolved, see finding 2022-001

**2021-002:** Management has not implemented internal controls related to the preparation of the Schedule of Expenditures of Federal Awards (SEFA). The SEFA contained errors.

Status: Not resolved, see finding 2022-006



**Ray County Clerk**  
*Heather Maulsby*  
**RAY COUNTY COURTHOUSE**  
**100 W. MAIN ST.**  
**RICHMOND, MISSOURI 64085**  
**(816) 776-4503**  
**FAX: (816) 776-4512**

**11/2/2023**

**RAY COUNTY, MISSOURI  
CORRECTIVE ACTION PLAN**

**Finding Reference Number:** 2022-001

**Federal Agency:** N/A

**Program Name:** N/A

**ALN Number:** N/A

**Responsible Official:** Heather Maulsby, County Clerk and Melissa Holloway, Treasurer.

**Views of Responsible Individuals:** We have reactivated account numbers that were needed for the 2023 budget and are amending the 2023 budget to be complete and agree with the Treasurer's Settlement. This will correct this issue.

**Finding Reference Number:** 2022-002

**Federal Agency:** N/A

**Program Name:** N/A

**ALN Number:** N/A

**Responsible Official:** Scott Childers, Sheriff

**Views of Responsible Individuals:** Beginning in April 2023, our office clerk has been performing bank reconciliations monthly. Those reconciliations are signed off on by the Sheriff.



**Finding Reference Number:** 2022-03

**Federal Agency:** N/A

**Program Name:** N/A

**ALN Number:** N/A

**Responsible Official:** Rhona Kinnison, Recorder

**Views of Responsible Individuals:** We do have a bank reconciliation procedure in effect. Said procedure is to reconcile the bank statement the same day it is received in the mail. The December 2022 bank statement was available for your review, unfortunately my bank reconciliation sheet for December 2022 was not attached. I will continue to reconcile the bank statements monthly the day they are received and ensure that the reconciliation sheet is attached prior to filing away.

**Finding Reference Number:** 2022-04

**Federal Agency:** N/A

**Program Name:** N/A

**ALN Number:** N/A

**Responsible Official:** County Commission

**Views of Responsible Individuals:** The County Commission has implemented procedures to ensure credit card statements will no longer incur late fees due to supporting documentation not being submitted to the County Clerk's office in a timely manner.

**Finding Reference Number:** 2022-05

**Federal Agency:** N/A

**Program Name:** N/A

**ALN Number:** N/A

**Responsible Official:** Senior Service's Board Treasurer

**Views of Responsible Individuals:** On December 29, 2022, the RCSSB chairman and the RCSSB financial secretary met with the RCSSB bookkeeper and signed the checks for the services rendered to clients in the month of December. They were checks numbered 3108-3112. They were pre-dated 01-01-2023. Later that day, the RCSSB chairman and the RCSSB financial

secretary met with the RCSSB bookkeeper at the Edward Jones investment office. Check #3113 was written and dated 12-29-2022 for \$229,000.00 to Edward Jones. It was signed by the RCSSB chairman and the RCSSB financial secretary. None of these checks cleared the Community Bank of Missouri until 2023. Any checks written and mailed/presented to the payee will be included in the financial statements in the year in which they were mailed/presented.

**Finding Reference Number:** 2022-006

**Federal Agency:** U.S. Department of Justice, U.S. Department of Transportation, U.S. General Services Administration, U.S. of Health and Human Services, and U.S. Department of Homeland Security

**Program Name:** Crime Victim Assistance; Highway Planning and Construction; Election Reform Payments; Child Support Enforcement; Disaster Grants – Public Assistance (Presidentially Declared Disasters); Homeland Security Grant.

**ALN Number:** 16.575, 20.205, 39.011, 95.563, 97.036, and 97.067

**Responsible Official:** Heather Maulsby, County Clerk

**Views of Responsible Individuals:** Moving forward, the County Clerk will ensure that the SEFA accurately states the expenditures of federal awards each year by performing a reconciliation between the SEFA and accounting records.

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## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

August 28, 2023

To the County Commission  
Ray County, Missouri

We have audited the accompanying financial statements of Ray County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 17, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Ray County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected during the audit.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 28, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the year ended December 31, 2022, we considered Ray County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our report on our consideration of internal control over financial reporting dated August 28, 2023.

### Other Matters

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles

prescribed or permitted by Missouri law, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Ray County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



# Scott Fitzpatrick

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## Missouri State Auditor

DEPARTMENT OF COMMERCE AND INSURANCE

Insurance

Report No. 2023-080

November 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Department of Commerce and Insurance - Insurance

Background	The Department of Commerce and Insurance - Insurance regulates the insurance industry in the state through enforcement of Chapters 325, 354, and 374 through 385, RSMo. The department regulates and licenses the insurance industry in the state; ensures the insurance industry is financially sound, trustworthy, competent, and responsive to the insurance-buying public; and ensures the insurance industry complies with the laws of the state.
Findings	The audit identified no significant deficiencies in internal controls, no significant noncompliance with legal provisions, and no significant deficiencies in management practices and procedures. No findings resulted from this audit.

In the areas audited, the overall performance of this entity was **Excellent**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Department of Commerce and Insurance - Insurance

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Chlora Lindley-Myers, Director  
Department of Commerce and Insurance  
Jefferson City, Missouri

We have audited certain operations of the Department of Commerce and Insurance - Insurance, as required by Section 374.250.2, RSMo, and in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2022. The objectives of our audit were to:

1. Evaluate the department's internal controls over significant management and financial functions of the Insurance Dedicated Fund, the Insurance Examiners' Fund, and taxes certified or collected under Sections 148.310 to 148.461, RSMo (foreign and domestic insurance premium taxes), and Sections 384.011 to 384.071, RSMo (surplus lines premium taxes).
2. Evaluate the department's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions of the Insurance Dedicated Fund and Insurance Examiners' Fund.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the department, as well as certain external parties; and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the department's management and was not subjected to the procedures applied in our audit of the department.

For the areas audited, we identified (1) no significant deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) no significant deficiencies in management practices and procedures. No findings resulted from our audit of the Department of Commerce and Insurance - Insurance.

A handwritten signature in black ink, reading "Scott Fitzpatrick". The signature is written in a cursive style with a large, stylized "S" and "F".

Scott Fitzpatrick  
State Auditor

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## Department of Commerce and Insurance - Insurance Organization and Statistical Information

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The Missouri Division of Insurance was created by an act of the Missouri legislature in 1869. With the enactment of the state Omnibus Reorganization Act of 1974, the agency was transferred to the Department of Consumer Affairs, Regulation and Licensing. Constitutional Amendment No. 6, passed in August 1984, amended Missouri Constitution, Article IV, Section 36(a) to change the name of the Department of Consumer Affairs, Regulation and Licensing, to the Department of Economic Development, effective September 7, 1984. Constitutional Amendment No. 4, passed in August 1990, created a new Department of Insurance, effective July 1, 1991. Executive Order 06-04 consolidated the former Department of Insurance, the Division of Finance, the State Banking Board, the Division of Credit Unions, and the Division of Professional Registration into one department and changed the name of the department to the Missouri Department of Insurance, Financial Institutions, and Professional Registration (DIFP), effective August 28, 2006. Executive Order 19-02 transferred the Office of Public Counsel and the Public Service Commission to the DIFP and changed the name to the Department of Commerce and Insurance (DCI), effective August 28, 2019.

The DCI-Insurance operates under the authority of Chapter 374, RSMo. The management and control of the DCI is vested in a director who is nominated by the Governor with the advice and consent of the Senate. Chlora Lindley-Myers was appointed Director on March 6, 2017, and continues to serve in that capacity.

As of June 30, 2022, there were 559 domestic, 2,958 foreign, and 510 alien companies licensed and/or regulated by the DCI-Insurance in Missouri. Insurers with primary corporate headquarters located in a particular state are called domestic insurers. Foreign and alien insurers are those that are allowed to sell insurance in a state but have a primary legal residence in another state or country.

The DCI-Insurance regulates the insurance industry in the state through enforcement of Chapters 325, 354, and 374 through 385, RSMo. The department regulates and licenses the insurance industry in the state; ensures the insurance industry is financially sound, trustworthy, competent, and responsive to the insurance-buying public; and ensures the insurance industry complies with the laws of the state.

To fulfill these responsibilities, the department maintains a central office in Jefferson City and branch offices in St. Louis and Kansas City. The DCI-Insurance is organized into the following divisions: Insurance Consumer Affairs, Insurance Market Regulation, Insurance Company Regulation, and Administration. The DCI-Insurance had 179 employees as of June 30, 2022.



Department of Commerce and Insurance - Insurance  
Organization and Statistical Information

The following table provides a breakdown of the type of companies licensed and/or regulated by DCI-Insurance in the state.

Type of Company	Missouri		
	Domicile	Foreign	Alien
Advisory Organization	2	11	0
Captive Insurance	49	0	2
Certified Reinsurer	0	0	13
Discount Medical Plan	0	29	0
Domestic Surplus Lines Insurer	3	0	0
Excess/Surplus Lines	0	196	169
Fraternal Benefit	1	29	0
Health Maintenance Organization	18	18	0
Health Services Corporation	1	0	0
Life Care Facility	8	1	0
Life and Health	28	442	2
Motor Vehicle Service Contract Provider	40	148	0
Multiple Employer Self-Insured Health Plan	1	0	0
Mutual Property Insurance Company	76	0	0
Pharmacy Benefits Manager	1	31	0
Prepaid Dental	5	9	0
Product Service Contract Provider	8	82	0
Professional Malpractice Assessable	5	0	0
Property and Casualty	43	932	0
Purchasing Group	9	265	0
Rating Organization	3	23	0
Reciprocal Reinsurer	0	0	5
Reinsurance Intermediary	9	10	5
Reinsurer	0	43	300
Risk Management Association	0	1	0
Risk Retention Group	0	114	0
Self-Insured Political Subdivision Assessable	14	0	0
Statutorily Created Entity	7	1	0
Third Party Administrator	36	434	14
Title	1	24	0
Vehicle Protection Product Provider	3	67	0
Worker's Compensation	188	48	0
Total	559	2,958	510

The DCI-Insurance administers transactions in the following funds:

The Insurance Examiner's Fund is authorized by Sections 374.160 and 374.162, RSMo, to receive all payments to the state by insurance companies for the costs incurred by the department in conducting examinations, valuations, or proceedings against such companies. Expenditures, authorized



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Department of Commerce and Insurance - Insurance  
Organization and Statistical Information

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by appropriations, are to be used for the purpose of paying the compensation of insurance examiners and expenses directly related to examinations. Any unexpended balances in this fund are perpetually maintained for the purposes of this fund.

The Insurance Dedicated Fund is authorized by Section 374.150, RSMo, to receive all fees due to the state under the provisions of the insurance laws. Appropriations from this fund are to be used solely for payment of expenditures incurred by the department in performing the duties required by law that are not paid for by another source of funds. Any unexpended balance in this fund is perpetually maintained for the purposes of this fund unless, and then only to the extent to which, the unencumbered balance at the close of the biennium year exceeds two times the total amount appropriated, paid, or transferred to the fund during such fiscal year. Any balance exceeding these limits would be transferred to the General Revenue Fund.

The DCI-Insurance administers programs financed partially by federal funding placed in the Federal Missouri Department of Commerce and Insurance Fund. The department receives appropriations from this fund.

The DCI-Administrative Fund is used to account for department-wide expenditures for budget, legislative coordination, public information, accounting, human resources, and department management. The fund receives monies through a cost allocation to the divisions within the DCI.

The DCI-Insurance does not receive any appropriations from the General Revenue Fund and does not maintain any proprietary interest in that fund. Receipts collected by the Department of Revenue (DOR) on behalf of the department include the following:

- Premium Taxes (foreign and domestic): In accordance with various provisions of Chapter 148, RSMo, insurance companies licensed in the state are required to pay a 2 percent tax on direct premiums received during the calendar year. The department certifies to the DOR the amount of premium taxes due together with the amount of quarterly installments to be paid by the insurance companies. The DOR collects the premium taxes and deposits them into the General Revenue Fund. Some premium taxes deposited into the General Revenue Fund are not available for general revenue purposes. The provisions of Chapter 148, RSMo, restrict about 50 percent of such premium taxes for distribution to the various school districts in the state. In addition, beginning January 1, 2020, through December 31, 2020, Section 192.385.2, RSMo, further restricted 2.5 percent of domestic premium taxes deposited into the General Revenue Fund for distribution to the Senior Services Growth and Development Program Fund. Beginning January 1, 2021, Section 192.385.2, RSMo, provided for 5 percent of those taxes to be distributed to the fund.



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Department of Commerce and Insurance - Insurance  
Organization and Statistical Information

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- **Domestic Stock Company Premium Taxes:** In accordance with various provisions of Chapter 148, RSMo, every stock insurance company organized under the provisions of Sections 379.010 to 379.203, RSMo, is required to pay a 2 percent tax on direct premiums received during the year. The department certifies to the DOR the amount of premium taxes due together with the amount of quarterly installments to be paid by the domestic stock insurance companies. The DOR collects the domestic stock company premium taxes and deposits them into the Financial Institutions Tax Fund as county stock insurance taxes. In accordance with Section 148.330.4, RSMo, domestic stock premium taxes credited to the County Stock Insurance Fund are to be apportioned to the General Revenue Fund of the state, to the county treasurer and to the treasurer of the school district in which the principal office of the company paying the same is located. Apportionments are made based on the ratio of taxes levied by each respective entity. In addition, from January 1, 2020, through December 31, 2020, Section 192.385.2, RSMo, further restricted 2.5 percent of domestic stock company premium taxes deposited into the Financial Institutions Tax Fund for distribution to the Senior Services Growth and Development Program Fund. Beginning January 1, 2021, Section 192.385.2 RSMo, provided for 5 percent of those taxes to be distributed to the Senior Services Growth and Development Program Fund.
- **Captive Insurance Premium Taxes:** In accordance with Section 379.1326, RSMo, captive insurance companies licensed in the state are required to pay a premium tax at the rate of thirty-eight-hundredths of 1 percent on the first \$20 million and two hundred eighty-five-thousandths of 1 percent on the next \$20 million, and nineteen-hundredths of 1 percent on the next \$20 million dollars, and seventy-two-thousandths of 1 percent on each dollar thereafter on the direct premiums received during the calendar year. The department certifies to the DOR the amount of premium taxes due to be paid annually by the captive insurance companies. The DOR collects the captive insurance premium taxes and deposits them into the General Revenue Fund. Some captive insurance premium taxes initially deposited into the General Revenue Fund are not available for general revenue purposes. The provisions of Chapter 379, RSMo, require 10 percent of these premium tax collections be deposited to the Insurance Dedicated Fund annually.
- **Special Purpose Life Insurance Captive (SPLRC) Premium Taxes:** In accordance with Section 379.1412, RSMo, each SPLRC is required to pay a premium tax at the rate of two hundred fourteen-thousandths of 1 percent on the first \$20 million of assumed reinsurance premium, and one hundred forty-three-thousandths of 1 percent on the next \$20 million, and forty-eight-thousandths of 1 percent on the next \$20 million, and twenty-four-thousandths of 1 percent of each dollar thereafter of assumed



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Department of Commerce and Insurance - Insurance  
Organization and Statistical Information

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reinsurance premiums during the calendar year. The department certifies to the DOR the amount of premium taxes due to be paid annually by the SPLRC insurance companies. The DOR collects the SPLRC premium taxes and deposits them into the General Revenue Fund. Some SPLRC premium taxes initially deposited into the General Revenue Fund are not available for general revenue purposes. The provisions of Chapter 379, RSMo, require 10 percent of these premium tax collections be deposited to the Insurance Dedicated Fund annually.

- **Surplus Lines Premium Taxes:** In accordance with the various provisions of Chapter 384, RSMo, surplus lines brokers are required to pay a 5 percent tax on net premiums for specialized insurance that is underwritten. The DOR collects the surplus lines premium taxes, interest, and penalties. The DOR deposits surplus lines premium taxes and interest into the General Revenue Fund and surplus lines penalties into the State School Moneys Fund.

Fines and forfeitures imposed and collected by the department under the Missouri Insurance Code are deposited into the State School Moneys Fund.

The DCI-Insurance is authorized to administer Missouri chartered insurance companies requiring rehabilitation or liquidation, commonly referred to as receiverships. Eight insurance companies were in receivership during the year ended June 30, 2022. Companies placed into receivership are under circuit court supervision with the judge appointing the Director as receiver. The Director may appoint a special deputy receiver or agent. Four of the companies did not have a special deputy receiver assigned to them. The department handled the day-to-day operations for one of these companies and contracted with vendors to act as agents for the other three. Four of the companies had a court-assigned special deputy receiver that directly supervised them. The contracted vendors and the special deputy receivers submit disbursements to DCI-Insurance for approval.

According to the National Association of Insurance Commissioners (NAIC), for calendar year 2021 Missouri ranked ninth nationally in the number of insurance companies incorporated in the state. The department's budget for fiscal year 2022 ranks thirtieth nationally.



## Appendix A

### Department of Commerce and Insurance - Insurance Statement of Receipts, Disbursements, and Changes in Cash and Investments Year Ended June 30, 2022

	Federal DCI Fund	Insurance Examiners Fund	Insurance Dedicated Fund	DCI Administrative Fund	Total (Memorandum Only)
Receipts	\$ 1,420,000	4,054,998	19,994,381	17	25,469,396
Disbursements	1,400,000	2,829,681	11,590,095	161,858	15,981,634
Receipts Over (Under) Disbursements	20,000	1,225,317	8,404,286	(161,841)	9,487,762
Transfers In <sup>1</sup>	0	0	0	257,797	257,797
Transfers Out <sup>2</sup>	0	(1,347,673)	(5,099,884)	(72,600)	(6,520,158)
Receipts Over (Under) Disbursements and Transfers	20,000	(122,357)	3,304,402	23,355	3,225,401
Cash and Investments, July 1	30,000	777,509	10,964,444	0	11,771,953
Cash and Investments, June 30	\$ 50,000	655,152	14,268,846	23,355	14,997,354

<sup>1</sup> Transfers In to the DCI Administrative Fund include transfers from divisions within the DCI for department administration.

<sup>2</sup> Transfers Out generally include payments for fringe benefits and the state's cost allocation plan.



## Appendix B

### Department of Commerce and Insurance - Insurance Statement of Receipts Year Ended June 30, 2022

RECEIPTS	General Revenue Fund	Insurance Dedicated Fund	State School Moneys Fund	Financial Institutions Tax Fund	Total (Memorandum Only)
Premium taxes (foreign and domestic)	\$ 299,429,864	0	0	0	299,429,864
Domestic stock company premium taxes	0	0	0	16,527,312	16,527,312
Captive insurance premium taxes	1,351,356	146,698	0	0	1,498,054
Special purpose life insurance premium taxes	556,895	61,877	0	0	618,772
Surplus lines premium taxes	58,842,298	0	0	0	58,842,298
Surplus lines penalties	0	0	94,782	0	94,782
Fines and forfeitures	0	0	1,333,600	0	1,333,600
Total Receipts	\$ 360,180,413	208,575	1,428,382	16,527,312	378,344,682

# Appendix C

## Department of Commerce and Insurance - Insurance Comparative Statement of Appropriations and Expenditures 2 Years Ended June 30, 2022

	Year Ended June 30,					
	2022			2021		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
<b>FEDERAL - DCI FUND</b>						
Health Insurance Counseling	\$ 1,400,000	1,400,000	0	1,400,000	1,400,000	0
Total Federal - DCI Fund	1,400,000	1,400,000	0	1,400,000	1,400,000	0
<b>INSURANCE EXAMINERS FUND</b>						
Personal Service	3,622,347	2,641,994	980,353	3,586,482	2,719,310	867,172
Expense and Equipment	715,802	33,170	682,632	711,625	26,939	684,686
Insurance Leasing	6,249	4,754	1,495	7,515	5,437	2,078
IT Consolidation Expense and Equipment	121,328	44,374	76,954	124,116	124,103	13
Refunds	60,000	0	60,000	60,000	37,124	22,876
State Office Building, Rent, Maintenance, and Repair	105,637	105,305	332	99,915	97,899	2,016
Total Insurance Examiners Fund	4,631,363	2,829,597	1,801,766	4,589,653	3,010,812	1,578,841
<b>INSURANCE DEDICATED FUND</b>						
Personal Service	9,272,428	8,932,450	339,978	9,180,623	8,866,282	314,341
Expense and Equipment	1,921,904	877,215	1,044,689	1,919,657	706,995	1,212,662
Governor's Office Personal Service <sup>1</sup>	11,804	0	11,804	11,687	9,781	1,906
IT Consolidation Personal Service	558,093	249,094	308,999	563,870	254,271	309,599
IT Consolidation Expense and Equipment	412,459	405,129	7,330	401,043	262,984	138,059
IT Consolidation Cost of Living Adjustment	5,299	0	5,299	0	0	0
Unemployment Benefits	20,000	1,676	18,324	12,440	6,080	6,360
Insurance Leasing	8,318	6,108	2,210	4,947	4,947	0
Refunds	75,000	33,887	41,113	75,000	27,485	47,515
Health Insurance Counseling	200,000	200,000	0	200,000	200,000	0
State Office Building, Rent, Maintenance, and Repair	390,400	384,620	5,780	355,608	355,607	1
Poison Control Hotline <sup>2</sup>	500,000	500,000	0	500,000	500,000	0
Total Insurance Dedicated Fund	13,375,705	11,590,179	1,785,526	13,224,875	11,194,432	2,030,443
Total All Funds	\$ 19,407,068	15,819,776	3,587,292	19,214,528	15,605,244	3,609,284

<sup>1</sup> The Governor's office has spending authority for this appropriation.

<sup>2</sup> The Department of Health and Senior Services has spending authority for this appropriation.

# Appendix D

## Department of Commerce and Insurance - Insurance Comparative Statement of Expenditures (From Appropriations) 5 Years Ended June 30, 2022

	Year Ended June 30,				
	2022	2021	2020	2019	2018
Salaries and wages	\$ 11,823,538	11,849,644	11,786,723	11,398,749	11,105,824
Travel, in-state	45,481	4,379	59,836	133,135	136,446
Travel, out-of-state	13,314	0	115,726	174,221	147,363
Fuel and utilities	17	0	0	0	0
Supplies	203,224	149,362	158,375	158,837	162,029
Professional development	106,599	124,277	100,240	114,233	99,787
Communication services and supplies	128,717	134,976	117,313	105,878	95,668
Services:					
Professional	546,789	506,313	707,865	596,351	443,603
Housekeeping and janitorial	467	131	226	200	413
Maintenance and repair	149,151	77,797	120,568	64,271	86,784
Equipment:					
Computer	118,741	98,712	107,318	29,087	170,794
Office	20,341	3,192	36,145	53,791	11,647
Other	4,226	18,909	33,495	10,321	13,301
Property and improvements	2,878	2,745	16,224	29,448	0
Debt service	927	927	758	0	0
Building lease payments	513,428	463,042	467,689	476,874	457,804
Equipment rental and leases	5,678	0	0	228	456
Miscellaneous expenses	697	149	6,930	1,474	4,658
Refunds	33,887	64,609	34,478	12,328	13,965
Program distributions	2,101,676	2,106,080	1,950,000	1,919,840	1,869,462
Total Expenditures	\$ 15,819,776	15,605,244	15,819,908	15,279,266	14,820,005



# Scott Fitzpatrick

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## Missouri State Auditor

### Missouri State Lottery Commission

Report No. 2023-079

November 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Missouri State Lottery Commission

Conflict of Interest	The Missouri State Lottery Commission (Lottery) entered into a sponsorship agreement in 2021 with a not-for-profit entity while the Lottery's Community Relations Manager, who was responsible for overseeing sponsorships, was a member of the not-for-profit entity's board of directors. This situation was not handled in accordance with Lottery policy regarding potential conflicts of interest.
Purchasing Approvals	The Lottery does not always use purchase requisitions as required by its established purchasing procedures. As a result, the Lottery is at increased risk of potentially improper purchases.
Advertising Expenditures	The Lottery's appropriation for advertising has been significantly reduced by the Legislature in recent budget years, resulting in Missouri's lottery advertising budget becoming the lowest among state-sponsored lotteries. Over the 6-year timeframe from 2018 to 2023, spending on advertising and sponsorship activities has declined from approximately \$17.5 million in 2018 and 2019 to as low as approximately \$800,000 for 2023. Conversely, transfers of lottery proceeds to education have increased significantly in the years since advertising expenditures were reduced.

In the areas audited, the overall performance of this entity was **Good**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Missouri State Lottery Commission

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Missouri State Lottery Commission  
and  
Lester Elder, Executive Director  
Missouri State Lottery Commission  
Jefferson City, Missouri

We have audited certain operations of the Missouri State Lottery Commission (Lottery) as required by Section 313.315.1, RSMo. The Lottery engaged CliftonLarsonAllen LLP, Certified Public Accountants (CPAs), to audit the Lottery's financial statements for the 2 years ended June 30, 2022. To minimize duplication of effort, we reviewed the CPA firm's reports for these years. The scope of our audit included, but was not necessarily limited to, the 2 years ended June 30, 2022. The objectives of our audit were to:

1. Evaluate the Lottery's internal controls over significant management and financial functions.
2. Evaluate the Lottery's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the Lottery; analyzing comparative data obtained from external and internal sources; reviewing contracts that are specific to the Lottery's operations and significant within the context of the audit objectives; and performing sample testing using judgmental selection. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the Lottery's management and was not subjected to the procedures applied in our audit of the Lottery.

For the areas audited, we identified (1) deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of the Missouri State Lottery Commission.

A handwritten signature in black ink, reading "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor



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# Missouri State Lottery Commission

## Management Advisory Report

### State Auditor's Findings

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#### **1. Conflict of Interest**

The Missouri State Lottery Commission (Lottery) entered into a sponsorship agreement in 2021 with a not-for-profit entity while the Lottery's Community Relations Manager, who was responsible for overseeing sponsorships, was a member of the not-for-profit entity's board of directors. This situation was not handled in accordance with Lottery policy regarding potential conflicts of interest.

The sponsorship agreement for the event provided \$11,000 cash to the organization and \$600 worth of scratcher tickets to be distributed in gift bags for event attendees. The Lottery also documented spending \$3,575 on other costs related to the event, for a total expenditure of \$15,175. In return, the Lottery was allowed to advertise at the event and on the entity's website. The Community Relations Manager's report of the event calculated the event's value to the Lottery at \$25,041. Based on our analysis, this calculation is consistent with other similar events of this nature.

The Lottery's Chief Financial Officer (CFO) indicated it was the responsibility of the Community Relations Manager to negotiate sponsorship agreements of this nature, but such agreements were also signed by the Executive Director. Lottery personnel indicated the CFO raised the question of whether the Community Relations Manager was a board member of the not-for-profit and whether this represented a conflict of interest, but the then-Executive Director indicated the Community Relations Manager was no longer a member of the board. However, according to the entity's publicly available meeting minutes for 2021, the Community Relations Manager was the board secretary at the time of the event.

The Community Relations Manager was required by policy to notify the Lottery of potential conflicts of interest at the time of hiring or as conflicts occur, but failed to do so. The Lottery Employee Manual, Policy 2.4, referring to Governor's Executive Order 18-10, prohibits employees from participating in any action in which "the state employee's impartiality might reasonably be questioned due to the employee's personal or financial relationship with another participant." Enhancing procedures to require employees who approve sponsorship agreements to formally document any conflicts with management would help provide additional assurance conflict of interest policies are complied with.

#### **Recommendation**

The Lottery enhance procedures to require formal disclosure of existing conflicts of interest for employees responsible for approving sponsorship agreements and ensure existing conflict of interest policies and procedures are followed.

#### **Auditee's Response**

*The Lottery's written response indicates it agrees with this recommendation. The Lottery's full response is included in Appendix A.*



Missouri State Lottery Commission  
Management Advisory Report - State Auditor's Findings

## 2. Purchasing Approvals

The Lottery does not always use purchase requisitions as required by its established purchasing procedures. As a result, the Lottery is at increased risk of potentially improper purchases.

The purchasing guidelines within the Lottery's Internal Control Plan require all purchases greater than \$100 to be submitted for approval by the requestor's immediate supervisor prior to the time of purchase. The request and approval of such purchases is made using a purchase requisition form. Purchases in excess of \$1,000 also require the approval of the applicable division director and the budget office/CFO. Certain purchases, such as utility expenditures, are exempt from the pre-approval process.

We judgmentally selected 5 purchasing card statements containing 61 individual transactions. For the 17 transactions in which a requisition was required, 9 requisitions totaling over \$3,500 were dated after the transaction date, indicating the approval was not obtained prior to the purchase as required by current purchasing procedures. Included in these expenditures were food purchases, COVID-19 supplies, office equipment, and software licenses.

Additionally, we judgmentally selected 8 non-purchasing card transactions for testing. Of the 3 transactions that required requisitions, 1 transaction for \$1,400 to an entertainment provider had the requisition dated the day after the Lottery was invoiced for the services provided.

Lottery staff indicated that in the absence of requisitions, verbal approvals had most likely been given to the purchaser prior to making the purchase. However, verbal approvals are not allowed per the purchasing procedures, nor is there notation on the requisition to document the approval after-the-fact.

Allowing purchases to occur before approval of requisitions opens the Lottery to the risk of incurring costs for inappropriate purchases.

### Recommendation

The Lottery ensure purchases requiring approval are approved prior to the purchase transaction in compliance with the purchasing procedures.

### Auditee's Response

*The Lottery's written response indicates it agrees with this recommendation. The Lottery's full response is included in Appendix A.*



Missouri State Lottery Commission  
Management Advisory Report - State Auditor's Findings

### 3. Advertising Expenditures

The Lottery's appropriation for advertising has been significantly reduced by the Legislature in recent budget years, resulting in Missouri's lottery advertising budget becoming the lowest among state-sponsored lotteries. To evaluate the potential impacts of significant reductions in advertising efforts on Lottery revenues and, ultimately, on the amount of lottery proceeds transferred to education, data from fiscal year 2018 through 2023 was evaluated for trends. See Table 1. Over that 6-year timeframe, spending on advertising and sponsorship activities has declined from approximately \$17.5 million in 2018 and 2019 to as low as approximately \$800,000 for 2023. Conversely, transfers of lottery proceeds to education have increased significantly in the years since advertising expenditures were reduced.

Table 1: Missouri State Lottery Commission Advertising and Sponsorship Expenditures by Appropriation, Fiscal Years 2018 to 2023

Appropriation Name	2018	2019	2020	2021	2022	2023
Lottery Advertising	\$ 15,999,996	15,999,997	4,148,780	1,499,999	400,000	399,973
Responsible Gaming						399,947
Lottery Expense and Equipment	1,534,293	1,515,652	1,456,735	1,884,993	1,168,035	0
Total	\$ 17,534,289	17,515,649	5,605,515	3,384,992	1,568,035	799,920
Transfers to education <sup>1</sup>	\$ 333,392,723	319,376,658	321,928,487	397,155,502	386,434,609	386,422,562

<sup>1</sup> Amount transferred each year from the Lottery to the Lottery Proceeds Fund.

Source: Expenditure amounts are from Statewide Advantage for Missouri (SAM II) data. Transfers to education amounts for 2018 through 2022 are from the Lottery's audited annual financial statements. The 2023 transfer to education amount was provided by Lottery management and is unaudited.

In addition to the majority of advertising expenses being paid from the agency's designated advertising appropriation, the Lottery has historically made payments for sponsorships out of the expense and equipment appropriation. For the 2023 budget year, the Legislature created a separate appropriation for advertising for responsible gaming for approximately \$400,000, but also created a separate appropriation for sponsorships and set that appropriation at \$1, effectively eliminating the agency's ability to fund sponsorships.

Missouri's Lottery advertising budget is the lowest in the nation

According to national lottery data,<sup>1</sup> Missouri's current advertising budget of 0.02 percent of sales is the smallest advertising budget of any of the 46 states that sponsor a lottery.<sup>2</sup> The remaining states range from a low of 0.08 percent

<sup>1</sup> *La Fleur's World Lottery Almanac, 2023*, <<https://www.lafleurs.com>>, data provided by the Lottery.

<sup>2</sup> Forty-five states plus the District of Columbia operate a lottery. Alabama, Alaska, Hawaii, Nevada, and Utah do not operate a state-sponsored lottery.



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## Missouri State Lottery Commission Management Advisory Report - State Auditor's Findings

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of sales in Massachusetts to 5.26 percent of sales in Wyoming. The national average advertising budget is 1.07 percent, and the 8 states contiguous to Missouri average 1.31 percent of sales.

According to Lottery officials, advertising is just one of many factors that affect Lottery sales. Lottery staff attribute the increase in sales, despite the decrease in advertising expenditures, to other factors, including large jackpots for draw games, adding a major retailer to its sales network, and pandemic-related closures of alternative entertainment options. Because of the multiple factors driving sales, Lottery officials indicated they cannot determine if the reduction in advertising had a definitive impact on sales. However, according to Lottery officials, market studies have already begun to show reductions in overall awareness of the Lottery and in the public's perception of Lottery activities. Lottery staff also noted they have received citizen complaints about the lack of Lottery sponsorships at events around the state, particularly the Missouri State Fair.

### Conclusion

Lottery transfers to education have increased in recent years despite significant cuts to advertising appropriations. The Lottery's advertising appropriations are established by the Legislature each year as part of the annual budget process. Lottery officials work with the various legislative committees and members as part of that process to discuss the Lottery's needs and advocate for funding for its priorities. However, the appropriation of funds is ultimately the responsibility of the Legislature and Governor and is outside of the Lottery's control.

### Recommendation

The Lottery continue to work with the Legislature to evaluate the impact of advertising and sponsorship spending on Lottery sales.

### Auditee's Response

*The Lottery's written response indicates it disagrees with our decision to include this issue as an audit finding, but does not dispute any of the facts presented in the finding. The Lottery's full response is included in Appendix A.*

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# Missouri State Lottery Commission

## Organization and Statistical Information

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Pursuant to Sections 313.200 to 313.351, RSMo, the Missouri State Lottery Commission (Lottery) was created in June 1985. That action followed voter approval of a lottery amendment to the Missouri Constitution at the November 1984 general election. The Lottery began selling instant game tickets on January 20, 1986. From 1986 to 1993, lottery proceeds less prizes and expenses were transferred to the General Revenue Fund for appropriation by the General Assembly. Effective July 1, 1993, pursuant to a voter approved lottery amendment to Article III, Section 39(b), Missouri Constitution, lottery proceeds are transferred to the Lottery Proceeds Fund for appropriation by the General Assembly for educational purposes.

Section 313.321 RSMo, provides that money received from the sale of lottery tickets shall be allocated as follows: a minimum of 45 percent shall be awarded as prizes; administration, advertising, promotion, and retailer compensation costs shall be paid as appropriated by the General Assembly; and the remainder shall be transferred to the Lottery Proceeds Fund to be appropriated solely for public institutions of elementary, secondary, and higher education.

Traditionally, the Lottery has paid out more than the minimum 45 percent of sales as prizes. The pay-out percentage has averaged 64.17 percent from 1986 to 2022. The prize percentage fluctuates each year based on factors such as the type of scratcher tickets sold (each game has a different prize structure) and the timing of payouts related to draw game sales such as the Powerball and Mega Millions games. Lottery officials believe more people will play if there are more prizes to receive. Lottery retailers are authorized to redeem prizes up to \$600, or players may claim any prizes in person at any of the Lottery offices.

### Estimated Transfers of Profits

Article III, Section 39(b), of the Missouri Constitution requires transfer of Lottery profits to the Lottery Proceeds Fund to be appropriated solely for public institutions of elementary, secondary, and higher education. In September each year, as part of the state budget process, the Lottery develops estimates of the transfer for the subsequent fiscal year in its budget request submitted to the Office of Administration and Governor. For example, the estimate for fiscal year 2023 (which began July 2022) was developed by the Lottery in September 2021. The Lottery's estimates provide a basis from which the Governor incorporates estimates into the budget submitted to the General Assembly for determining appropriations to schools from the Lottery Proceeds Fund.



## Missouri State Lottery Commission Organization and Statistical Information

Estimated and actual transfers for the last 4 fiscal years were as follows:

### Estimated and actual transfers to the Lottery Proceeds Fund

	Year Ended June 30,			
	2019	2020	2021	2022
Lottery estimate	289,606,888	293,095,042	309,132,386	317,158,471
Actual cash transfer	323,000,000	333,000,000	345,062,500	400,260,827
Actual over (under) estimate	33,393,112	39,904,958	35,930,114	83,102,356
Variance from estimate	11.5%	13.6%	11.6%	26.2%

The Lottery estimates transfers using the average of the total actual transfers for the preceding 5 fiscal years plus 1 percent rather than assuming continued growth. The Lottery's estimated transfers were \$330.8 and \$366.8 million for the fiscal year 2023 and 2024 budgets, respectively.

## Commission

A five-member Lottery commission is appointed by the Governor with the advice and consent of the Senate. The commission must meet at least quarterly. The commission has the authority to promulgate rules as it deems necessary and desirable to fully implement the Lottery as mandated by the people in Article III, Missouri Constitution. The commission appoints an executive director to act as secretary of the commission and keep all books and records of the commission. The executive director oversees the commission's operation and administration. May Scheve Reardon served as Executive Director until July 29, 2022. Chief Financial Officer Judy Martin served as Interim Executive Director until Lester Elder was hired effective November 7, 2022. As of June 30, 2022, members of the commission were:

Commissioner	Term Expiration (1)
Lance Mayfield, Chairman	September 2022
Robert Gattermeir, Vice Chairman	September 2022
Nicholas Gerth	September 2024
John Clark Hemeyer	September 2023
Abigail Pinegar-Rose	September 2023

(1) Section 313.215, RSMo, requires appointments to be made within 30 days of the expiration of a term. However, the current practice is for the expired member to serve until reappointed or a new member is appointed.

The Lottery staff is organized into 4 divisions: Executive, Sales, Marketing, and Operations. Each division is headed by a director who coordinates activities to meet the commission's objectives. At June 30, 2022, the Missouri State Lottery Commission employed 153 individuals.

## Financial Activity

A summary of the Lottery's operating financial activity is presented in Appendixes B through G.





Appendix A  
Missouri State Lottery Commission  
The Lottery's Response to Audit Recommendations



**Missouri Lottery**  
1823 Southridge Drive • PO Box 1603 • Jefferson City, MO • 65102-1603 • Phone (573) 751-4050  
www.Molottery.com • FAX (573) 751-5188

September 28, 2023

Honorable Scott Fitzpatrick  
Missouri State Auditor  
Jefferson City, Missouri

We have reviewed the findings from your office's audit of the Missouri State Lottery Commission. Below you will find our responses to the audit findings.

- 1 Lottery management enhance procedures to require formal disclosure of existing conflicts of interest for employees responsible for approving sponsorship agreements and ensure existing conflict of interest policies and procedures are followed.**

*Department's Response: The Lottery agrees that the event in question cost \$15,175 and provided benefits valued at \$25,041, for a return on investment (ROI) of 1.7 to 1. The Lottery also agrees that the ROI for this event was positive and consistent with other similar events of this nature.*

*We agree the Community Relations Manager was required by existing policy to notify the Lottery of potential conflicts of interest. It is unknown if this occurred as the Community Relations Manager and the Executive Director at the time are no longer employed at Lottery.*

*The Lottery also agrees with the recommendation that procedures be enhanced to ensure conflict of interest policies and procedures are followed. We are currently revising Lottery Employee Policy 2.4 to include reporting potential conflicts of interest through volunteer relationships as well as through employment. In addition, all employees will be required to complete a potential conflict of interest report annually and attest that the report is complete and accurate.*

- 2 The Lottery should ensure purchases requiring approval are approved prior to the purchase transaction in compliance with their purchasing procedures.**

*Department's Response: The Lottery agrees with the recommendation and has implemented changes to purchasing guidelines and the purchase requisition form effective July 1, 2023 to facilitate compliance.*

- 3 The Lottery continue to work with the Legislature to evaluate the impact of advertising and sponsorship spending on Lottery sales.**

*Department's Response: We understand the importance of the recommendation; however, we do not agree that this recommendation should be characterized as an audit finding. Rather, we consider it an acknowledgement that we are already doing as the report recommends and will continue to do so.*



## Appendix A

### Missouri State Lottery Commission

### The Lottery's Response to Audit Recommendations

*The Missouri Lottery's goal is to responsibly maximize the transfer to Missouri education. The Lottery acknowledges that there are many factors in achieving that goal, and one of those factors is the ability to advertise Missouri Lottery's brand and family of products. Advertising and marketing is a best practice for any business, organization or even non-profit. This is especially true when considering the highly competitive retail environment with Lottery offered alongside thousands of other consumer goods. Most competing brands spend 10-13% of total sales on advertising.*

*Lottery advertising plays a key role in maintaining the current customer base and helping to attract new customers, just as any billion-dollar business would do. It helps keep lottery games relevant in a marketplace climate of rising prices and increasing gaming/entertainment options. To achieve its revenue transfer goal, maintaining the Lottery's current player base is not enough; it must expand the number of players and engage a new generation of players. Today's media landscape grows more and more fractured every day, making it more challenging to reach new players. Using an Omni-channel strategy, an optimal ad budget would allow the Missouri Lottery to touch multiple platforms in order to reach new players. In addition to using traditional advertising media (print, broadcast TV and radio and billboards), adding non-traditional platforms will reach the next generation of players in more effective and efficient ways (digital advertising, streaming audio and video, event participation and guerilla marketing).*

*The Lottery's "Play It Forward" for education advertising campaign has had a positive impact on Lottery brand relevance, changing perceptions and reaching younger generational audiences. This means those aware of the Lottery's ads are more likely to feel that the Lottery matters in terms of making a difference for Missouri schools. The Lottery tracks brand relevance and frequently scores as being more "relevant" to consumers than brands like McDonald's, the NFL and Starbucks. Relevance continues to decrease as our ad budget decreases. Prior to the ad budget cuts, Missouri Lottery advertising had increased the percentage of Missouri adults who feel that Lottery proceeds are used to help support public education to 51%. With the current reduction in budget, this number has fallen 12% in just three years.*

*Although sales have been on the rise since the pandemic, there are several reasons aside from advertising spending or lack thereof:*

- *The Missouri Lottery is now selling at Walmart Supercenters throughout the state. This is an increase of over 112 stores selling Lottery products.*
- *During the early days of the pandemic, when casinos, restaurants and bars were shut down, Missouri Lottery products continued to be a form of entertainment since they are sold in convenience stores and grocery stores, both of which remained open during the lockdowns.*
- *The Missouri Lottery loyalty program, My Lottery® Players Club, has had an 85% increase in new customer registrations and a 58% increase in individual active users from FY20 to FY21.*
- *The multi-state lottery products, Powerball and Mega Millions, have had some record jackpot runs that created national news media coverage. The large jackpots fuel increased purchases, not only in sales of those products, but all lottery products. We cannot necessarily count on this consistently.*
- *Record Pick 3 and Pick 4 sales in FY 21.*
- *Complete rollout of cashless functionality on self-service vending machines in FY 21. Cashless sales to date exceed \$59 million and have contributed an additional \$13 million in proceeds to education.*
- *Monday drawings and the Double Play feature were added to the Powerball game beginning August 2021.*
- *Introduction of the first \$50 Scratchers game in January 2022.*
- *Record Pull-Tab sales in FY 22 which contributed an additional \$7 million in proceeds to education.*





Appendix A  
Missouri State Lottery Commission  
The Lottery's Response to Audit Recommendations

Missouri Lottery is required by state statute, (313.230, RSMo) to:

*"Carry on a continuous study and investigation of the lottery throughout the state and to make a continuous study and investigation of the operation and the administration of similar laws which may be in effect in other states or countries, any literature on the subject which from time to time may be published or available, any federal laws which may affect the operation of the lottery, and the reaction of Missouri citizens to existing and potential features of the lottery with a view to recommending or effecting changes that will tend to serve the purposes of sections 313.200 to 313.350."*

*In compliance with this statute, Missouri Lottery, through a joint procurement with Missouri Division of Tourism and Missouri Department of Agriculture, contracts with an independent research group to conduct ongoing studies. The independent research group is Strategic Marketing & Research Insights, LLC ("SMARI").*

*The 2022 SMARI annual report for Missouri Lottery shows the decline of our advertising budget has had a negative effect. Below are some of the findings:*

- Advertising awareness was 62% in FY 18 when Lottery had \$16 million in advertising and after four years (when the budget was \$400,000), the advertising awareness reduced to 37% in FY 22.*
- The perception of Lottery being "fun and good entertainment" has reduced in 4 years.*
- The perception of Lottery "being a good way to raise money for education" has reduced in 4 years.*
- The reduced advertising budget has reduced the awareness of new products and games to the Gen X, Baby Boomers, and the Silent Generation. These three groups comprise Missouri Lottery players between the age group of 43-95. Their awareness has been reduced to 37% as a result of the diminished advertising budget.*

*The SMARI report was shared with the House Budget and Senate Appropriations Committees during the FY 23 legislative session and Lottery's Executive Director personally visited every member of both committees to discuss Lottery advertising and sponsorships. The Lottery, under the new Executive Director, is committed to keeping the lines of communication open with members of the Legislature and will continue to keep members abreast of the impact of advertising on Lottery sales and proceeds to education.*

Sincerely,

Lester Elder  
Executive Director

## Appendix B

### Missouri State Lottery Commission Comparative Statement of Appropriations and Expenditures

	Year Ended June 30,					
	2022			2021		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
LOTTERY ENTERPRISE FUND						
Advertising expenses	\$ 400,000	400,000	0	1,500,000	1,499,999	1
Pull tab vendor payments	9,194,385	5,886,403	3,307,982	9,194,385	5,697,991	3,496,394
Vendor payments for games	34,731,341	34,678,069	53,272	32,371,477	32,371,202	275
Personal services	7,540,911	7,436,555	104,356	7,465,907	7,171,246	294,661
Expense and equipment	10,204,295	8,814,322	1,389,973	10,258,718	8,609,056	1,649,662
Total Lottery Enterprise Fund	62,070,932	57,215,349	4,855,583	60,790,487	55,349,494	5,440,993
STATE LOTTERY FUND						
Lottery prizes	202,805,855	200,277,993	2,527,862	177,575,218	177,575,218	0
Total State Lottery Fund	202,805,855	200,277,993	2,527,862	177,575,218	177,575,218	0
Total All Funds	\$ 264,876,787	257,493,342	7,383,445	238,365,705	232,924,712	5,440,993

Appendix C

Missouri State Lottery Commission  
Comparative Statement of Expenditures (From Appropriations)

	Year Ended June 30,			
	2022	2021	2020	2019
	\$			
Salaries and wages	7,436,211	7,171,246	7,119,329	6,841,029
Travel, in-state	60,936	18,790	94,853	108,700
Travel, out-of-state	40,808	3,719	50,952	75,649
Fuel and utilities	122,034	114,399	126,305	141,672
Supplies	1,023,482	897,898	754,190	863,558
Professional development	202,056	168,409	125,027	145,664
Communication services and supplies	319,229	338,415	313,306	299,804
Services:				
Printing and binding	12,036,751	11,542,147	10,953,765	9,010,460
Advertising	330,357	1,186,632	3,721,914	14,613,928
Other business	29,191,243	26,664,456	20,976,613	24,089,179
Accounting and auditing	227,505	224,616	216,441	215,589
Public relations	1,168,035	1,884,993	1,456,735	1,515,652
Other professional	1,615,404	1,679,671	1,618,563	2,574,219
Housekeeping and janitorial	87,498	75,207	64,500	65,814
Maintenance and repair	1,695,233	997,190	1,250,009	1,248,546
Equipment:				
Computer	237,711	327,674	335,273	303,914
Motorized	0	211,128	307,622	190,412
Office	11,663	9,553	26,604	32,356
Other	299,216	363,072	689,748	622,087
Property and improvements	78,282	1,207,757	232,174	274,541
Building lease payments	408,245	457,237	375,398	379,922
Equipment rental and leases	174,547	437,283	1,053,991	1,095,455
Lottery prizes	199,130,416	176,403,624	146,161,560	172,393,075
Lottery prizes-merchandise	1,151,927	1,175,344	1,249,556	1,686,893
Lottery retailer incentives	66,328	60,931	66,803	123,055
Lottery retailer incentives-merchandise	101,788	67,033	67,504	77,032
Agency provided food	20,520	9,744	21,843	25,608
Miscellaneous expenses	212,255	68,361	42,705	39,744
Refunds	43,664	11,847	22,594	1,395
Total Expenditures	\$ 257,493,344	233,778,376	199,495,877	239,054,952
				230,975,028

Appendix D

Missouri State Lottery Commission  
(An Enterprise Fund of the State of Missouri)  
Statements of Net Position As of June 30, 2022 and 2021

	2022	2021
<b>Current Assets</b>		
Cash and cash equivalents	\$ 86,519,077	118,860,116
Investments held for grand-prize winners	3,847,277	4,100,990
Accounts receivable, net of allowances for returns	60,440,250	58,500,793
Other assets	1,389,287	694,012
Total current assets	152,195,891	182,155,911
<b>Noncurrent Assets</b>		
Capital assets		
Capital assets not being depreciated	360,973	352,973
Other capital assets	14,177,517	12,256,249
Accumulated depreciation	(11,370,864)	(10,811,364)
Accumulated amortization	(464,905)	0
	2,702,721	1,797,858
Investments held for grand-prize winners	28,012,860	34,738,546
Total noncurrent assets	30,715,581	36,536,404
Total assets	182,911,472	218,692,315
<b>Deferred Outflows</b>		
Deferred Outflows - Pension	3,554,685	3,485,035
Deferred Outflows - OPEB	606,113	645,816
Total Deferred Outflows	4,160,798	4,130,851
<b>Current Liabilities</b>		
Accounts payable	1,532,612	4,112,007
Due to Lottery Proceeds Fund	43,490,096	58,766,011
Accrued prize liabilities	84,944,648	97,946,438
Grand-prize winner liabilities	4,102,000	4,102,000
Lease Liability	434,989	0
Other accrued liabilities	7,126,229	6,902,996
Total current liabilities	141,630,574	171,829,452
<b>Long-term Liabilities</b>		
Due to Lottery Proceeds Fund	11,594,234	10,144,538
Grand-prize winner liabilities	28,611,138	31,627,522
Net Pension Liability	19,812,551	22,307,756
Net OPEB Liability	7,234,107	7,539,380
Lease Liability	995,341	0
Total long-term liabilities	68,247,371	71,619,196
Total liabilities	209,877,945	243,448,648
<b>Deferred Inflows</b>		
Deferred Inflows - Pension	3,648,714	232,105
Deferred Inflows - OPEB	982,065	635,064
Total deferred inflows	4,630,779	867,169
<b>Net Position</b>		
Investment in capital assets	1,272,391	1,797,858
Unrestricted	(28,708,846)	(26,400,524)
Restricted for the unrealized gain/loss on investments held for grand-prize winners	0	3,110,015
Total net position	\$ (27,436,455)	(21,492,651)

Source: Excerpt from the Missouri State Lottery Commission's audited financial statements.

## Appendix E

Missouri State Lottery Commission  
(An Enterprise Fund of the State of Missouri)  
Statements of Revenues, Expenses, and Changes in Net Position  
For The Years Ended June 30, 2022 and 2021

	2022	2021
Operating Revenues		
Scratchers ticket sales	\$ 1,195,318,049	1,215,705,180
Draw Game ticket sales	426,114,924	442,850,831
Pull-Tab ticket sales	158,512,368	152,933,048
Total sales	1,779,945,341	1,811,489,059
Other	128,698	760,896
Total operating revenues	1,780,074,039	1,812,249,955
Operating Expenses		
Scratchers prizes	886,572,498	875,392,754
Draw Game prizes	235,244,169	253,112,820
Pull-Tab prizes	142,575,126	137,520,206
Scratchers retailer commissions and incentives	76,623,928	78,039,114
Draw Game retailer commissions and incentives	24,398,498	25,348,677
Pull-Tab retailer commissions and incentives	3,187,338	3,061,072
Cost of tickets sold	32,292,593	36,226,684
Depreciation	1,192,724	845,512
Advertising	400,000	1,499,999
Wages and benefits	12,992,031	13,541,489
Other general and administrative	9,508,551	9,578,861
Total operating expenses	1,424,987,456	1,434,167,188
Operating income	355,086,583	378,082,767
Nonoperating Revenues (Expenses)		
Interest income	196,410	217,720
Unclaimed prizes	29,134,511	16,063,183
Gain (Loss) on sale of capital assets	36,316	22,077
Net increase (decrease) in the fair value of investments		
held for grand-prize winners	(2,877,399)	(1,182,283)
Amortization of grand-prize winner liability	(1,085,616)	(1,157,131)
Transfers to State of Missouri Lottery Proceeds Fund	(386,434,609)	(397,155,502)
Total nonoperating revenues (expenses)	(361,030,387)	(383,191,936)
Changes in net position	(5,943,804)	(5,109,169)
Total Net Position, Beginning of Year	(21,492,651)	(16,383,482)
Total Net Position, End of Year	\$ (27,436,455)	(21,492,651)

Source: Excerpt from the Missouri State Lottery Commission's audited financial statements.

## Appendix F

Missouri State Lottery Commission  
(An Enterprise Fund of the State of Missouri)  
Statements of Cash Flows  
For The Years Ended June 30, 2022 and 2021

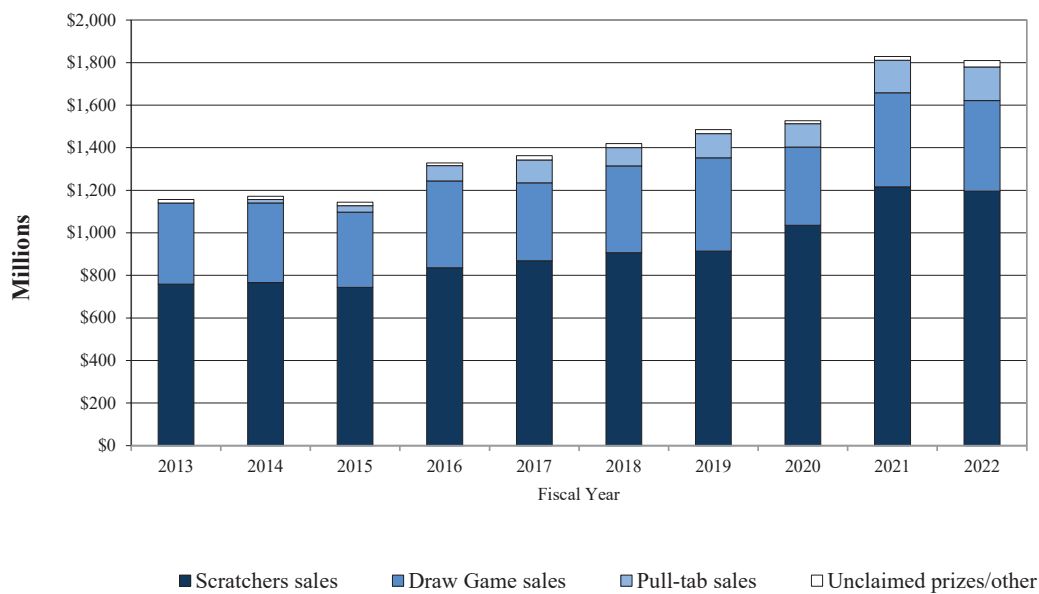
	2022	2021
<b>Cash Flows From Operating Activities</b>		
Cash received from retailers and others	\$ 1,777,839,920	1,819,069,771
Cash paid for prizes	(1,252,361,072)	(1,250,323,216)
Cash paid for retailer commissions	(104,456,249)	(106,169,579)
Cash paid for employee services	(11,987,565)	(11,510,290)
Cash paid for other expenses	(44,782,716)	(43,726,095)
Net cash provided by operating activities	<u>364,252,318</u>	<u>407,340,591</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Transfers to State of Missouri	<u>(400,260,828)</u>	<u>(345,032,500)</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Purchases of capital assets	(230,127)	(428,810)
Proceeds from sale of capital assets	36,551	104,074
Lease related cash outflows	<u>(437,363)</u>	<u>0</u>
Net cash used for capital and related financing activities	<u>(630,939)</u>	<u>(324,736)</u>
<b>Cash Flows From Investing Activities</b>		
Proceeds from maturity of investments	4,102,000	3,794,000
Interest received	<u>196,410</u>	<u>217,720</u>
Net cash provided by investing activities	<u>4,298,410</u>	<u>4,011,720</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(32,341,039)</u>	<u>65,995,075</u>
Cash and Cash Equivalents, Beginning of Year	<u>118,860,116</u>	<u>52,865,041</u>
Cash and Cash Equivalents, End of Year	<u><u>86,519,077</u></u>	<u><u>118,860,116</u></u>
<b>Reconciliation of Operating Income to Net Cash Provided by</b>		
Operating Activities		
Operating income	355,086,583	378,082,767
Adjustments to reconcile operating income to net cash provided		
by operating activities:		
Depreciation and amortization	1,192,724	845,512
Noncash pension and OPEB adjustments	933,185	1,980,788
Unclaimed prizes	29,134,511	16,063,183
Payments to grand-prize winners	(4,102,000)	(3,794,000)
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable, net	(1,939,457)	7,676,006
(Increase) decrease in other receivables	(695,275)	(537,542)
Increase (decrease) in accounts payable and		
other accrued liabilities	(2,356,162)	3,590,496
Increase (decrease) in accrued prize liabilities	<u>(13,001,791)</u>	<u>3,433,381</u>
Net cash provided by operating activities	<u><u>364,252,318</u></u>	<u><u>407,340,591</u></u>
<b>Noncash Activities</b>		
Net increase (decrease) in the fair value of investments		
held for grand-prize winners	(2,877,399)	(1,182,283)
Amortization of grand-prize winner liability	\$ 1,085,616	1,157,131

Source: Excerpt from the Missouri State Lottery Commission's audited financial statements.

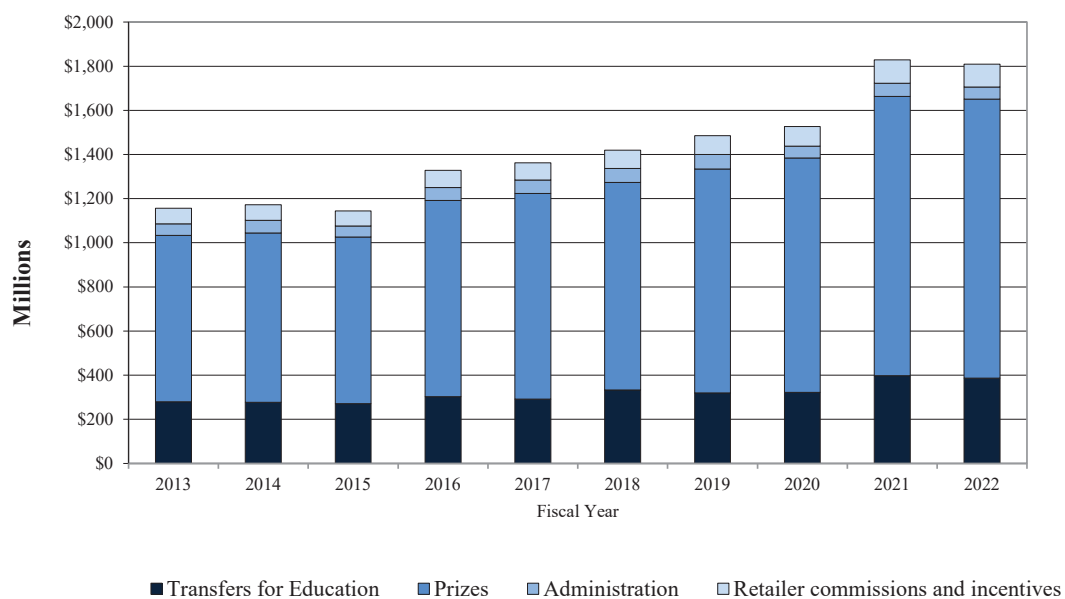
## Appendix G

### Missouri State Lottery Commission Revenues and Expenditures by Fiscal Year 10 Fiscal Years ended June 30, 2022

#### Revenues



#### Expenditures





**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Warren County, Missouri

The Office of the State Auditor contracted for an audit of Warren County's financial statements for the 2 years ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized, with the first name "Scott" written in a cursive script and the last name "Fitzpatrick" in a more formal, slightly cursive script.

Scott Fitzpatrick  
State Auditor

November 2023  
Report No. 2023-078





**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the contracted audit of Warren County

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2022-001

The County implement procedures to ensure credit cards are secured and limited to authorized users. Further, we recommend the County implement procedures to ensure purchases are authorized, and supporting documentation is provided to the County Clerk in a timely manner. Additionally, we recommend the County implement procedures to ensure credit cards statements are paid in a timely manner to avoid any late fees and interest charges.

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2022-002

The County implement internal controls to ensure adequate documentation of federal grant programs is maintained.

ANNUAL FINANCIAL REPORT

**WARREN COUNTY, MISSOURI**

For the Years Ended  
December 31, 2022 and 2021

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

KANSAS CITY

# WARREN COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

WARREN COUNTY, MISSOURI  
List of Elected Officials 2021-2022

*County Commission*

Presiding Commissioner – Joe Gildehaus

Commissioner, Northern District – Matt Flake

Commissioner, Southern District – Tom Meyer

*Other Elected Officials*

Assessor – Katie Smith

Circuit Clerk – Tim Beard

Collector – Julie Schaumberg

County Clerk – Denise Stotler

Coroner – Mark O’Neill

Prosecuting Attorney – Kelly King

Public Administrator – Melissa Dempsey

Recorder – Deborah Engemann

Sheriff – Kevin Harrison

Treasurer – Jeffrey Hoelscher

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Warren County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Warren County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2021 and 2022, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Warren County, Missouri, as of December 31, 2022 and 2021, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Warren County, Missouri, as of December 31, 2021 and 2022, or the changes in financial position thereof for the years then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Warren County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Warren County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Warren County, Missouri's ability to continue as a going concern for a reasonable period of time.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Warren County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 31, 2023, on our consideration of Warren County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Warren County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 31, 2023

WARREN COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund	Cash and Investments	Receipts	Disbursements	Cash and Investments	Receipts	Disbursements	Cash and Investments
	January 1, 2021	2021	2021	December 31, 2021	2022	2022	December 31, 2022
General Revenue	\$ 1,385,793	\$ 7,162,328	\$ 6,614,350	\$ 1,933,771	\$ 7,624,237	\$ 7,205,730	\$ 2,352,278
Special Road & Bridge	976,226	3,897,124	3,241,410	1,631,940	4,515,272	4,361,201	1,786,011
Assessment	347,722	707,671	693,628	361,765	696,147	770,722	287,190
Law Enforcement	1,632,648	5,951,572	5,463,702	2,120,518	6,728,572	6,405,043	2,444,047
Officer Training	1,870	23,762	12,425	13,207	6,943	4,325	15,825
Prosecuting Attorney Training	50,444	3,693	-	54,137	5,305	2,246	57,196
Capital Improvement	1,310,844	710,782	428,844	1,592,782	816,406	665,381	1,743,807
Delinquent Tax	22,579	4,580	1,640	25,519	12,016	2,019	35,516
Bad Check	11,860	3,090	2,596	12,354	1,982	8,309	6,027
Recorder User	240,432	89,347	62,353	267,426	94,952	63,232	299,146
Health Reimbursement	151,780	10,221	11,640	150,361	11,641	11,617	150,385
Sheriff's Civil Fees	50,621	22,552	33,460	39,713	46,243	32,955	53,001
Road & Bridge Capital	1,331,506	106,539	-	1,438,045	127,417	500,000	1,065,462
Prosecuting Attorney Forfeiture	4,844	28	-	4,872	115	-	4,987
Election Services	30,358	12,416	1,109	41,665	10,955	92	52,528
Recorder Tech	69,027	14,516	1,216	82,327	13,063	1,291	94,099
Sheriff's Forfeiture	1,203	5	500	708	17	-	725
Tax Maintenance	286,343	67,345	53,574	300,114	74,842	42,341	332,615
Sheriff's Revolving	47,498	38,602	11,565	74,535	13,599	4,422	83,712
County Clerk HAVA	-	-	-	-	11,062	-	11,062
Federal Grant	-	678,405	678,405	-	315,750	212,487	103,263
L.E.P.C.	18,669	107	-	18,776	446	-	19,222
ARPA	-	3,470,556	-	3,470,556	3,561,269	1,163,804	5,868,021
WCSD Benevolence	8,160	549	-	8,709	1,980	-	10,689
Inmate Security	100,153	149,185	132,272	117,066	131,428	122,049	126,445
CARES Act	2,589,562	22,836	2,612,398	-	-	-	-
Senate Bill 40 Board	1,450,852	1,960,218	1,668,409	1,742,661	1,715,203	1,778,411	1,679,453
Total	\$ 12,120,994	\$ 25,108,029	\$ 21,725,496	\$ 15,503,527	\$ 26,536,862	\$ 23,357,677	\$ 18,682,712

The accompanying Notes to the Financial Statements are an integral part of this statement.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND				
Year Ended December 31,				
	2021		2022	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Property taxes	\$ 686,000	\$ 690,621	\$ 687,100	\$ 492,322
Sales taxes	4,400,000	4,556,363	4,810,000	4,946,259
Intergovernmental	514,844	444,213	800,720	698,795
Charges for services	1,203,726	1,316,897	1,352,141	1,294,924
Interest	14,200	13,674	12,000	60,655
Other	280,350	123,560	149,400	114,282
Transfers in	17,000	17,000	17,000	17,000
Total Receipts	<u>\$ 7,116,120</u>	<u>\$ 7,162,328</u>	<u>\$ 7,828,361</u>	<u>\$ 7,624,237</u>
DISBURSEMENTS				
County Commission	\$ 157,342	\$ 160,858	\$ 163,341	\$ 160,136
County Clerk	309,343	250,323	315,704	253,634
Recorder	184,936	170,099	192,021	170,277
Circuit Clerk	92,216	44,829	79,570	56,554
Prosecuting Attorney	718,457	690,087	721,999	703,493
Collector	396,786	316,934	399,202	321,942
Surveyor	12,487	11,593	12,507	10,271
Sanitation Office	61,144	47,805	56,237	48,698
Emergency Manager	114,861	87,560	113,679	98,640
Associate Division II	9,000	4,054	8,000	5,894
Coroner	42,691	35,966	55,906	53,307
Treasurer	74,558	73,807	77,471	76,668
Juvenile Office	111,894	101,434	111,894	90,628
Public Administrator	72,446	69,096	77,304	71,546
Court Reporter	3,000	363	1,500	382
Public Health	814,464	720,663	1,118,908	661,202
Circuit Judge	71,401	1,628	66,700	6,614
Planning & Zoning	222,900	132,988	188,414	100,571
Buildings & Grounds	563,500	351,915	498,000	476,551
Elections	69,395	15,096	205,066	132,877
Administration	895,847	685,034	878,831	675,511
Transfers Out	2,671,017	2,524,587	2,934,311	2,776,137
Emergency Fund	200,000	-	200,000	-
Child Support Enforcement	63,373	54,565	61,786	44,282
Victim Advocate	72,516	58,190	72,678	57,367
Drug Court	10,000	1,134	10,000	898
Information Technologies	-	-	150,000	148,800
Associate Division III	8,250	3,742	6,550	2,850
Total Disbursements	<u>\$ 8,023,824</u>	<u>\$ 6,614,350</u>	<u>\$ 8,777,579</u>	<u>\$ 7,205,730</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (907,704)	\$ 547,978	\$ (949,218)	\$ 418,507
CASH AND INVESTMENTS, JANUARY 1	<u>1,385,793</u>	<u>1,385,793</u>	<u>1,933,771</u>	<u>1,933,771</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 478,089</u>	<u>\$ 1,933,771</u>	<u>\$ 984,553</u>	<u>\$ 2,352,278</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

## WARREN COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD & BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ 1,027,100	\$ 1,242,521	\$ 1,246,000	\$ 1,236,467	\$ -	\$ -	\$ -	\$ -
Sales taxes	1,540,000	1,594,455	1,683,500	1,732,103	-	-	-	-
Intergovernmental	740,920	856,866	775,000	953,015	594,000	693,599	604,696	683,055
Charges for services	-	192,814	-	23,063	-	2,080	-	1,723
Interest	8,500	10,468	9,000	70,624	4,607	3,302	3,000	10,499
Other	307,500	-	49,500	-	12,000	8,690	8,000	870
Transfers in	516,000	-	500,000	500,000	-	-	-	-
Total Receipts	\$ 4,140,020	\$ 3,897,124	\$ 4,263,000	\$ 4,515,272	\$ 610,607	\$ 707,671	\$ 615,696	\$ 696,147
<b>DISBURSEMENTS</b>								
Salaries	\$ 627,924	\$ 542,984	\$ 637,483	547,716	\$ 313,986	\$ 292,545	\$ 378,424	\$ 356,818
Employee fringe benefits	175,659	180,404	193,248	175,729	98,857	92,712	115,297	109,617
Materials and supplies	645,500	580,774	796,500	623,071	15,000	5,987	15,000	5,395
Services and other	112,700	237,617	264,100	279,126	266,500	270,978	243,600	240,400
Capital outlay	2,116,000	1,583,685	2,075,000	1,942,657	60,000	30,649	35,000	57,629
Construction	490,000	-	800,000	676,824	-	-	-	-
Transfers out	115,946	115,946	116,078	116,078	757	757	863	863
Total Disbursements	\$ 4,283,729	\$ 3,241,410	\$ 4,882,409	\$ 4,361,201	\$ 755,100	\$ 693,628	\$ 788,184	\$ 770,722
<b>RECEIPTS OVER (UNDER)</b>								
DISBURSEMENTS	\$ (143,709)	\$ 655,714	\$ (619,409)	\$ 154,071	\$ (144,493)	\$ 14,043	\$ (172,488)	\$ (74,575)
<b>CASH AND INVESTMENTS,</b>								
<b>JANUARY 1</b>	976,226	976,226	1,631,940	1,631,940	347,722	347,722	361,765	361,765
<b>CASH AND INVESTMENTS,</b>								
<b>DECEMBER 31</b>	\$ 832,517	\$ 1,631,940	\$ 1,012,531	\$ 1,786,011	\$ 203,229	\$ 361,765	\$ 189,277	\$ 287,190

The accompanying Notes to the Financial Statements are an integral part of these statements.

## WARREN COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT FUND			OFFICER TRAINING FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	\$ 2,200,000	\$ 2,277,792	\$ 2,405,000	2,474,433	-	-
Intergovernmental	217,000	447,683	235,000	780,831	-	-
Charges for services	274,500	657,905	284,000	675,501	-	-
Interest	6,000	10,292	9,000	58,947	23,732	6,609
Other	143,000	54,330	386,240	267,034	30	334
Transfers in	2,650,000	2,503,570	2,630,000	2,471,826	3,000	-
Total Receipts	\$ 5,490,500	\$ 5,951,572	\$ 5,949,240	\$ 6,728,572	\$ 23,030	\$ 6,943
<b>DISBURSEMENTS</b>						
Salaries	\$ 3,361,936	\$ 3,160,035	\$ 3,550,225	\$ 3,455,493	\$ -	\$ -
Employee fringe benefits	940,895	872,220	970,403	858,205	-	-
Materials and supplies	213,500	242,876	263,000	284,099	-	-
Services and other	976,500	660,806	893,000	908,493	7,900	4,325
Capital outlay	612,400	523,033	924,140	893,364	-	-
Construction	-	-	-	-	-	-
Transfers out	4,732	4,732	5,389	5,389	-	-
Total Disbursements	\$ 6,109,963	\$ 5,463,702	\$ 6,606,157	\$ 6,405,043	\$ 7,900	\$ 4,325
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (619,463)	\$ 487,870	\$ (656,917)	\$ 323,529	\$ (1,825)	\$ 2,618
<b>CASH AND INVESTMENTS, JANUARY 1</b>	1,632,648	1,632,648	2,120,518	2,120,518	1,870	13,207
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 1,013,185	\$ 2,120,518	\$ 1,463,601	\$ 2,444,047	\$ 45	\$ 15,825

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY TRAINING FUND				CAPITAL IMPROVEMENT FUND			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes								
Sales taxes								
Intergovernmental								
Charges for services	2,400	3,394	2,500	3,986				
Interest	600	299	250	1,319				
Other	-	-	-	-	278,500	-	339,914	-
Transfers in	-	-	-	-				
Total Receipts	<u>\$ 3,000</u>	<u>\$ 3,693</u>	<u>\$ 2,750</u>	<u>\$ 5,305</u>	<u>\$ 945,500</u>	<u>\$ 710,782</u>	<u>\$ 1,067,414</u>	<u>\$ 816,406</u>
<b>DISBURSEMENTS</b>								
Salaries								
Employee fringe benefits								
Materials and supplies								
Services and other	12,500	-	12,500	2,246	608,375	428,479	410,000	347,040
Capital outlay	-	-	-	-	1,320,000	365	870,000	318,341
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 12,500</u>	<u>\$ -</u>	<u>\$ 12,500</u>	<u>\$ 2,246</u>	<u>\$ 1,928,375</u>	<u>\$ 428,844</u>	<u>\$ 1,280,000</u>	<u>\$ 665,381</u>
<b>RECEIPTS OVER (UNDER)</b>								
<b>DISBURSEMENTS</b>	\$ (9,500)	\$ 3,693	\$ (9,750)	\$ 3,059	\$ (982,875)	\$ 281,938	\$ (212,586)	\$ 151,025
<b>CASH AND INVESTMENTS,</b>								
<b>JANUARY 1</b>	<u>50,444</u>	<u>50,444</u>	<u>54,137</u>	<u>54,137</u>	<u>1,310,844</u>	<u>1,310,844</u>	<u>1,592,782</u>	<u>1,592,782</u>
<b>CASH AND INVESTMENTS,</b>								
<b>DECEMBER 31</b>	<u>\$ 40,944</u>	<u>\$ 54,137</u>	<u>\$ 44,387</u>	<u>\$ 57,196</u>	<u>\$ 327,969</u>	<u>\$ 1,592,782</u>	<u>\$ 1,380,196</u>	<u>\$ 1,743,807</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	DELINQUENT TAX FUND			BAD CHECK FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	6,470	4,438	4,000	4,392	3,019	1,789
Interest	1,617	142	100	1,097	71	193
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 8,087	\$ 4,580	\$ 4,100	\$ 5,489	\$ 3,090	\$ 1,982
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	1,425
Services and other	15,000	1,640	15,000	11,349	2,596	6,884
Capital outlay	-	-	-	6,000	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 15,000	\$ 1,640	\$ 15,000	\$ 17,349	\$ 2,596	\$ 8,309
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (6,913)	\$ 2,940	\$ (10,900)	\$ (11,860)	\$ 494	\$ (6,327)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	22,579	22,579	25,519	11,860	12,354	12,354
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 15,666	\$ 25,519	\$ 14,619	\$ -	\$ 12,354	\$ 6,027

The accompanying Notes to the Financial Statements are an integral part of these statements.

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## WARREN COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S CIVIL FEES FUND				ROAD & BRIDGE CAPITAL FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	20,000	22,290	22,000	\$ 40,186	7,300	163	5,500	10,115
Interest	500	262	260	1,377	2,100	6,376	314,598	17,302
Other	-	-	-	4,680	100,000	100,000	100,000	100,000
Transfers in	-	-	-	-	\$ 109,400	\$ 106,539	\$ 420,098	\$ 127,417
Total Receipts	\$ 20,500	\$ 22,552	\$ 22,260	\$ 46,243				
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	-	-	-	-	-	-
Capital outlay	71,000	33,460	61,900	32,955	500,000	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	516,000	-	500,000	500,000
Total Disbursements	\$ 71,000	\$ 33,460	\$ 61,900	\$ 32,955	\$ 1,016,000	\$ -	\$ 500,000	\$ 500,000
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (50,500)	\$ (10,908)	\$ (39,640)	\$ 13,288	\$ (906,600)	\$ 106,539	\$ (79,902)	\$ (372,583)
CASH AND INVESTMENTS, JANUARY 1	50,621	50,621	39,713	39,713	1,331,506	1,331,506	1,438,045	1,438,045
CASH AND INVESTMENTS, DECEMBER 31	\$ 121	\$ 39,713	\$ 73	\$ 53,001	\$ 424,906	\$ 1,438,045	\$ 1,358,143	\$ 1,065,462

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY FORFEITURE FUND			ELECTION SERVICES FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	20	28	50	115	9,550	12,200
Other	80	-	-	-	300	216
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 100	\$ 28	\$ 50	\$ 115	\$ 9,850	\$ 12,416
					\$ 8,700	\$ 10,955
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	2,500	-	2,500	-	12,900	1,075
Capital outlay	-	-	-	-	12,900	34
Construction	-	-	-	-	12,900	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 2,500	\$ -	\$ 2,500	\$ -	\$ 38,700	\$ 1,109
					\$ 41,646	\$ 92
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (2,400)	\$ 28	\$ (2,450)	\$ 115	\$ (28,850)	\$ 11,307
					\$ (32,946)	\$ 10,863
<b>CASH AND INVESTMENTS, JANUARY 1</b>	4,844	4,844	4,872	4,872	30,358	41,665
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 2,444	\$ 4,872	\$ 2,422	\$ 4,987	\$ 1,508	\$ 8,719
						\$ 52,528

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDER TECH FUND			SHERIFF'S FORFEITURE FUND		
	Year Ended December 31,		Actual	Year Ended December 31,		Actual
	2021	2022		2021	2022	
RECEIPTS	Budget	Budget	Actual	Budget	Budget	Actual
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	11,250	14,080	10,946	10,000	5,000	-
Interest	525	436	2,117	25	10	17
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 11,775	\$ 14,516	\$ 13,063	\$ 10,025	\$ 5,010	\$ 17
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	2,500	160	-	-	-	-
Services and other	5,000	-	-	-	-	-
Capital outlay	60,000	1,056	1,291	11,215	5,700	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 67,500	\$ 1,216	\$ 1,291	\$ 11,215	\$ 5,700	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (55,725)	\$ 13,300	\$ 11,772	\$ (1,190)	\$ (690)	\$ 17
CASH AND INVESTMENTS, JANUARY 1	69,027	69,027	82,327	1,203	708	708
CASH AND INVESTMENTS, DECEMBER 31	\$ 13,302	\$ 82,327	\$ 94,099	\$ 13	\$ 18	\$ 725

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	TAX MAINTENANCE FUND				SHERIFF'S REVOLVING FUND			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	63,792	65,513	65,000	67,220	42,000	38,240	38,250	11,700
Interest	2,300	1,832	2,000	7,622	250	362	360	1,899
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 66,092	\$ 67,345	\$ 67,000	\$ 74,842	\$ 42,250	\$ 38,602	\$ 38,610	\$ 13,599
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	20,000	51,074	20,000	20,475	-	-	-	-
Services and other	81,059	500	81,059	500	29,500	11,565	30,000	4,422
Capital outlay	183,522	-	196,924	19,366	60,000	-	83,100	-
Construction	-	-	-	-	-	-	-	-
Transfers out	2,000	2,000	2,000	2,000	-	-	-	-
Total Disbursements	\$ 286,581	\$ 53,574	\$ 299,983	\$ 42,341	\$ 89,500	\$ 11,565	\$ 113,100	\$ 4,422
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (220,489)	\$ 13,771	\$ (232,983)	\$ 32,501	\$ (47,250)	\$ 27,037	\$ (74,490)	\$ 9,177
CASH AND INVESTMENTS, JANUARY 1	286,343	286,343	300,114	300,114	47,498	47,498	74,535	74,535
CASH AND INVESTMENTS, DECEMBER 31	\$ 65,854	\$ 300,114	\$ 67,131	\$ 332,615	\$ 248	\$ 74,535	\$ 45	\$ 83,712

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	COUNTY CLERK HAVA FUND			FEDERAL GRANT FUND			
	Year Ended December 31,			Year Ended December 31,			
	2021	2022		2021	2022		
	Budget	Actual	Budget	Actual	Budget	Actual	
RECEIPTS							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	10,894	10,895	694,155	678,405	15,750
Charges for services	-	-	-	-	-	-	-
Interest	-	-	-	167	-	-	-
Other	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ -	\$ -	\$ 10,894	\$ 11,062	\$ 694,155	\$ 678,405	\$ 300,000
							\$ 5,315,750
							\$ 315,750
DISBURSEMENTS							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-
Services and other	-	-	10,894	-	694,155	678,405	212,487
Capital outlay	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ 10,894	\$ -	\$ 694,155	\$ 678,405	\$ 212,487
							\$ 5,315,750
							\$ 212,487
RECEIPTS OVER (UNDER)							
DISBURSEMENTS	\$ -	\$ -	\$ -	\$ 11,062	\$ -	\$ -	\$ 103,263
CASH AND INVESTMENTS, JANUARY 1	-	-	-	-	-	-	-
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ 11,062	\$ -	\$ -	\$ 103,263

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	L.E.P.C. FUND				ARPA FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	3,200	-	3,200	-	3,462,200	3,462,200	3,462,200	3,415,930
Charges for services	-	-	-	-	-	-	-	-
Interest	110	107	110	446	10,392	8,356	130,000	145,339
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 3,310	\$ 107	\$ 3,310	\$ 446	\$ 3,472,592	\$ 3,470,556	\$ 3,592,200	\$ 3,561,269
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	400	-	-	-	3,462,200	-	6,924,400	1,163,804
Services and other	16,249	-	3,310	-	-	-	-	-
Capital outlay	2,000	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	10,392	-	138,355	-
Total Disbursements	\$ 18,649	\$ -	\$ 3,310	\$ -	\$ 3,472,592	\$ -	\$ 7,062,755	\$ 1,163,804
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (15,339)	\$ 107	\$ -	\$ 446	\$ -	\$ 3,470,556	\$ (3,470,555)	\$ 2,397,465
CASH AND INVESTMENTS, JANUARY 1	18,669	18,669	18,776	18,776	-	-	3,470,556	3,470,556
CASH AND INVESTMENTS, DECEMBER 31	\$ 3,330	\$ 18,776	\$ 18,776	\$ 19,222	\$ -	\$ 3,470,556	\$ 1	\$ 5,868,021

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	WCSD BENEVOLENCE FUND				INMATE SECURITY FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	82,000	148,481	150,000	128,437
Interest	100	49	50	215	700	704	700	2,991
Other	2,000	500	1,000	1,765	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 2,100	\$ 549	\$ 1,050	\$ 1,980	\$ 82,700	\$ 149,185	\$ 150,700	\$ 131,428
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	10,000	-	9,750	-	82,500	67,004	67,760	74,897
Capital outlay	-	-	-	-	100,000	65,268	200,000	47,152
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 10,000	\$ -	\$ 9,750	\$ -	\$ 182,500	\$ 132,272	\$ 267,760	\$ 122,049
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (7,900)	\$ 549	\$ (8,700)	\$ 1,980	\$ (99,800)	\$ 16,913	\$ (117,060)	\$ 9,379
CASH AND INVESTMENTS, JANUARY 1	8,160	8,160	8,709	8,709	100,153	100,153	117,066	117,066
CASH AND INVESTMENTS, DECEMBER 31	\$ 260	\$ 8,709	\$ 9	\$ 10,689	\$ 353	\$ 117,066	\$ 6	\$ 126,445

The accompanying Notes to the Financial Statements are an integral part of these statements.

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	CARES ACT FUND				SENATE BILL 40 BOARD FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,029,647	\$ 1,214,483	\$ 1,080,259	\$ 905,233
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	308	1,980	811
Charges for services	-	2,178	-	-	753,700	743,716	797,320	713,765
Interest	2,000	3,427	-	-	1,500	1,711	1,800	2,419
Other	-	-	-	-	-	-	-	92,975
Transfers in	17,231	17,231	-	-	-	-	-	-
Total Receipts	\$ 19,231	\$ 22,836	\$ -	\$ -	\$ 1,784,847	\$ 1,960,218	\$ 1,881,359	\$ 1,715,203
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 471,503	\$ 414,252	\$ 470,600	\$ 455,283
Employee fringe benefits	-	-	-	-	152,280	206,166	212,900	245,316
Materials and supplies	2,117,716	2,121,321	-	-	9,000	11,572	12,450	17,500
Services and other	491,077	491,077	-	-	1,056,906	1,034,732	1,126,519	1,055,524
Capital outlay	-	-	-	-	5,000	1,687	5,000	4,788
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 2,608,793	\$ 2,612,398	\$ -	\$ -	\$ 1,694,689	\$ 1,668,409	\$ 1,827,469	\$ 1,778,411
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (2,589,562)	\$ (2,589,562)	\$ -	\$ -	\$ 90,158	\$ 291,809	\$ 53,890	\$ (63,208)
CASH AND INVESTMENTS, JANUARY 1	2,589,562	2,589,562	-	-	1,450,852	1,450,852	1,742,661	1,742,661
CASH AND INVESTMENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ -	\$ 1,541,010	\$ 1,742,661	\$ 1,796,551	\$ 1,679,453

The accompanying Notes to the Financial Statements are an integral part of these statements.



WARREN COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund/Account	Cash and Investments January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Investments December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Investments December 31, 2022
Treasurer Medical Benefits	\$ 478,474	\$ 900,108	\$ 858,750	\$ 519,832	\$ 1,158,083	\$ 1,129,409	\$ 548,506
Treasurer Library	-	1,337,240	1,337,240	-	1,296,763	1,296,628	135
Treasurer Junior College	-	370,314	370,314	-	386,531	386,525	6
Treasurer Fire	-	3,604,340	3,604,340	-	3,635,650	3,634,971	679
Treasurer Ambulance	-	3,271,905	3,271,905	-	3,223,205	3,222,668	537
Treasurer LERF	49,868	15,451	34,740	30,579	29,498	-	60,077
Treasurer CERF	8	696,406	696,405	9	761,768	734,315	27,462
Treasurer Cities	-	1,958,079	1,958,079	-	2,273,783	2,273,657	126
Treasurer Developmental Disabilities Board	-	1,084,783	1,084,783	-	1,081,889	1,081,653	236
Treasurer Prosecuting Attorney Retirement	-	17,506	17,506	-	15,673	14,752	921
Treasurer Unclaimed Fees	149,537	12,105	6,892	154,750	17,362	16,953	155,159
Treasurer Cemetery	11,211	587	-	11,798	2,751	2,240	12,309
Treasurer Cemetery CD Investment	17,129	-	-	17,129	-	-	17,129
Treasurer Surplus Land	15,891	2,195	12,278	5,808	49,223	24,708	30,323
Treasurer Domestic Violence	700	5,554	-	6,254	6,460	6,255	6,459
Treasurer Trustee Lots	-	20,735	20,735	-	14,548	14,485	63
Treasurer DSSS	-	6,540	6,540	-	5,825	4,725	1,100
Treasurer Hermann Hospital	-	62,530	62,530	-	48,483	48,483	-
Treasurer Septic Escrow	-	-	-	-	-	-	-
Treasurer Bad Check M.O.P.S.	-	90	90	-	65	65	-
Treasurer Paid Under Protest	-	-	-	-	-	-	-
Treasurer School Building Revolving	36,793	11,075	-	47,868	67,149	11,124	103,893
Treasurer School Fines and Interest	44,195	142,353	152,352	34,196	169,198	163,033	40,361
Treasurer School Fund	-	39,835,622	39,835,622	-	34,841,881	34,835,038	6,843
Collector Main	33,536,076	44,818,438	45,405,928	32,948,586	44,635,613	45,045,727	32,538,472
Collector Credit/Debit Card	646,449	2,589,025	2,353,862	881,612	3,152,395	2,932,123	1,101,884
Collector Protest	675,597	152,929	119,979	708,547	2,490	630,932	80,105
Collector Auto Agent	-	-	-	-	2,429,950	-	2,429,950
Recorder	49,078	568,553	572,085	45,546	439,688	454,367	30,867
Prosecuting Attorney	-	121,740	121,740	-	88,145	88,145	-
Sheriff Main	3,371	509,932	511,641	1,662	401,275	402,043	894
Sheriff Civil	2,671	28,341	29,532	1,480	33,591	31,892	3,179
Sheriff Inmate	13,822	439,045	441,596	11,271	326,924	334,551	3,644
Public Administrator	328,512	298,663	199,923	427,252	409,992	309,026	528,218
Total	\$ 36,059,382	\$ 102,882,184	\$ 103,087,387	\$ 35,854,179	\$ 101,005,851	\$ 99,130,493	\$ 37,729,537

The accompanying Notes to the Financial Statements are an integral part of this statement.

WARREN COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Warren County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are ten elected Constitutional Officers: Assessor, Circuit Clerk, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder, Sheriff, and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Warren County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the Officer Training Fund and CARES Act Fund in 2021.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022 and 2021, for purposes of taxation were:

	2022	2021
Real Estate	\$ 519,497,555	\$ 498,848,637
Personal Property	171,767,792	138,613,606
Railroad and Utilities	37,633,113	36,436,203
Total	<u>\$ 728,898,460</u>	<u>\$ 673,898,446</u>

For calendar years 2022 and 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022	2021
General Revenue	\$ 0.0736	\$ 0.0635
Special Road & Bridge	0.1767	0.1767
Senate Bill 40 Board	0.1603	0.1603

#### F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

#### G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 18,041,561	\$ 18,304,744	\$ 373,571
Investments - Governmental Funds	641,151	641,151	250,000
Total Governmental Funds	<u>\$ 18,682,712</u>	<u>\$ 18,945,895</u>	<u>\$ 623,571</u>
Cash and Cash Equivalents - Fiduciary Funds	\$ 37,712,408	\$ 32,388,132	\$ 841,813
Investments - Fiduciary Funds	17,129	17,129	17,129
Total Fiduciary Funds	<u>\$ 37,729,537</u>	<u>\$ 32,405,261</u>	<u>\$ 858,942</u>

At December 31, 2021, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 14,872,492	\$ 15,188,176	\$ 500,000
Investments - Governmental Funds	631,035	631,035	250,000
Total Governmental Funds	<u>\$ 15,503,527</u>	<u>\$ 15,819,211</u>	<u>\$ 750,000</u>
Cash and Cash Equivalents - Fiduciary Funds	\$ 35,837,050	\$ 31,000,657	\$ 752,116
Investments - Fiduciary Funds	17,129	17,129	17,129
Total Fiduciary Funds	<u>\$ 35,854,179</u>	<u>\$ 31,017,786</u>	<u>\$ 769,245</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 and 2021 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

## 3. COUNTY EMPLOYEES' RETIREMENT PLANS

### A. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

### 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

### 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002. During 2022 and 2021, the County collected and remitted to CERF employee withholdings of \$734,315 and \$696,405, respectively for the years then ended.

### B. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is

responsible for administration of this plan. The County contributed \$14,752 and \$17,506, respectively, for the years ended December 31, 2022 and 2021.

#### 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

#### 5. CLAIMS, COMMITMENT AND CONTINGENCIES

##### A. Compensated Absences

The County provides full-time employees with sick leave after the completion of a 90-day probationary period. Once the probationary period is completed, full-time employees can earn eight hours of sick leave for each completed calendar month of employment, up to a maximum of 240 hours. Upon termination, employees may be compensated for any unused sick time on the condition that the employee provides a minimum of two weeks' notice prior to the last day of employment.

Vacation time is accrued for every full-time employee based upon the number of years of continuous employment with the County. During the first year, employees are eligible for one week of vacation (up to 40 hours), two weeks during years two through six (up to 80 hours), three weeks during years seven through fourteen (up to 120 hours), four weeks during years fifteen through nineteen (up to 160 hours), and five weeks during year twenty (up to 200 hours) with an additional day (up to 8 hours) for every additional year of employment with a maximum threshold of six weeks (up to 240 hours). Full-time employees are encouraged to take vacation leave during the year, and up to five days (up to 40 hours) may be carried over to the following fiscal year. Part-time employees (less than 1950 hours per year) are not eligible for vacation time. Upon separation (resignation, death or termination), an employee may receive compensation for unused accrued vacation leave to the date of termination.

##### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

##### C. Litigation

The County was involved in pending litigation as of the audit report date. The County's management and legal counsel anticipate that potential claims, if any, against the County resulting from such litigation would not have a material effect on the financial position of the County.



## 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body. The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections which are intended to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2022:

In August 2018, the County entered into a Certificates of Participation (COPS) agreement for a jail expansion project in the amount of \$3,600,000. The debt is paid in semi-annual payments over 15 years, with a variable interest rate from 3.000% to 3.500% with annual payments ranging from \$225,000 to \$300,000. These payments will be made out of the General Revenue Fund.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 225,000	\$ 91,125	\$ 316,125
2024	250,000	84,000	334,000
2025	250,000	76,500	326,500
2026	250,000	69,000	319,000
2027	250,000	61,375	311,375
2028-2030	800,000	134,313	934,313
2031-2033	900,000	47,250	947,250
Totals	<u>\$ 2,925,000</u>	<u>\$ 563,563</u>	<u>\$ 3,488,563</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:



Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
Certificates of Participation	\$ 3,150,000	\$ -	\$ (225,000)	\$ 2,925,000	\$ 97,875

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

Description	Balance 12/31/2020	Additions	Payments	Balance 12/31/2021	Interest Paid
Certificates of Participation	\$ 3,375,000	\$ -	\$ (225,000)	\$ 3,150,000	\$ 104,625

## 8. OPERATING LEASES

At December 31, 2022, the County has three non-cancellable operating leases for copiers. The Assessor's office has a 36-month lease through May 19, 2025 with a monthly payment of \$282, and has a 60-month lease through September 24, 2025 with a monthly payment of \$1,535. The Sheriff's office has a 60-month copier lease through April 23, 2024 with a monthly payment of \$451. The following schedule represents future payments under these operating leases:

Fiscal Year Ending December 31,	Amount
2023	\$ 17,555
2024	3,856
2025	1,410

At December 31, 2022, the Senate Bill 40 Board has two non-cancellable operating leases for office spaces in Warrenton, Missouri and Montgomery City, Missouri. The lease for the office space in Warrenton, Missouri commenced on April 1, 2021 and terminates on March 31, 2025. Under the terms of the lease, the Senate Bill 40 Board pays an annual base rent of \$1,500 with annual adjustments of \$50.

The lease for the office space in Montgomery City, Missouri commenced on January 1, 2017 and terminated on December 31, 2017 with an automatic renewal unless different terms are negotiated and agreed upon at least 90 days in advance of the termination date. Under the terms of the lease, the Senate Bill 40 Board pays an annual base rent of \$840 with no annual adjustments. The following schedule represents future payments under these operating leases:

Fiscal Year Ending December 31,	Amount
2023	\$ 2,390
2024	1,600
2025	1,650

## 9. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 31, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Commission and  
Officeholders of Warren County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Warren County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2021 and 2022, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Warren County, Missouri's basic financial statements and have issued our report thereon dated August 31, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Warren County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Warren County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Warren County, Missouri's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Warren County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Warren County, Missouri's Response to Finding**

Warren County, Missouri's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Warren County, Missouri's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 31, 2023

## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Warren County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Warren County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Warren County, Missouri's major federal programs for the years ended December 31, 2021 and 2022. Warren County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Warren County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2021 and 2022.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Warren County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Warren County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Warren County, Missouri's federal programs.

## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Warren County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Warren County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Warren County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Warren County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Warren County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify

all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-002 that we consider to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on Warren County, Missouri's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Warren County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 31, 2023



WARREN COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures Years Ended December 31,	
			2021	2022
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through Missouri Department of Economic Development -				
14.228	Community Development Block Grants		\$ -	\$ -
	Handicap Services	2018-PF-29	373,735	-
	Turning Point	2017-PF-22	304,670	15,750
	Total 14.228		<u>\$ 678,405</u>	<u>\$ 15,750</u>
U.S. DEPARTMENT OF JUSTICE				
Passed through Missouri Department of Public Safety-				
16.575	Crime Victim Assistance	n/a	\$ 55,072	\$ 49,648
U.S. DEPARTMENT OF TREASURY				
Passed through Missouri State Treasurer's Office -				
21.019	COVID-19 Coronavirus Relief Fund	n/a	2,612,398	-
Direct Program				
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	n/a	-	1,163,804
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Missouri Department of Health and Senior Services-				
93.069	Public Health Emergency Preparedness	DH210048579	29,263	19,105
93.069	Public Health Emergency Preparedness Bioterrorism	AOC19380163	21,192	-
93.069	Cancer Research Institute	DH220049994	-	13,016
	Total 93.069		<u>\$ 50,455</u>	<u>\$ 32,121</u>
93.136	Opioid Grant	DH200048359	\$ 22,173	-
93.268	Increasing Adult Influenza Vaccination Rates	DH220049843	51,452	92,416
93.323	Epidemiology and Laboratory Capacity	DH210049228	123,798	-
		DH220051329	-	169,126
93.354	Crisis COAG	DH220051368	8,755	25,670
93.575	Child Care and Development Block Grant	ERS22023113	1,705	1,625
Passed through Missouri Department of Social Services -				
93.563	Child Support Enforcement	DH220049994	46,662	37,740
93.575	CORE	DH220050549	62,824	62,824
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through Missouri Department of Public Safety				
97.042	Emergency Management Performance Grants	n/a	21,586	18,405
Total Expenditures of Federal Awards			<u>\$ 3,735,285</u>	<u>\$ 1,669,129</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**WARREN COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Warren County, Missouri for the years ended December 31, 2022 and 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUBRECIPIENTS**

The County did not pass any federal awards through to subrecipients during the years ended December 31, 2022 and 2021.

WARREN COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported
- Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?   X   Yes      No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	COVID-19 Coronavirus Relief Fund

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

## **SECTION II – FINANCIAL STATEMENTS FINDINGS**

### **MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

### **SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

#### **2022-001: Internal Control Over Credit Cards**

Criteria: A proper system of internal controls requires adequate custodial control over credit cards, appropriate approval and documentation of purchases, and timely payment to avoid interest and late charges.

Condition: Our review of the credit card statements during the audit period noted multiple instances in which finance charges were paid by the County. After inquiry, we noted that multiple credit cards are provided to Elected Officials and Department Heads, who are required to submit supporting documentation to the County Clerk's office before their credit card statement can be paid. The County Clerk's office experienced issues in which the credit card holder did not provide the supporting documentation in a timely manner, which resulted in late fees and interest charges.

Cause: The County provided multiple credit cards to Elected Officials and Department Heads, and have not implemented proper procedures to ensure supporting documentation is submitted timely, and ensure credit card statements are paid timely.

Effect: Lack of oversight of credit cards purchases increases the likelihood that cards could be used for inappropriate or personal charges. Additionally, untimely payment of credit card statements could result in late fees and interest charges.

Recommendation: We recommend the County implement procedures to ensure credit cards are secured and limited to authorized users. Further, we recommend the County implement procedures to ensure purchases are authorized, and supporting documentation is provided to the County Clerk in a timely manner. Additionally, we recommend the County implement procedures to ensure credit cards statements are paid in a timely manner to avoid any late fees and interest charges.

County's Response: The County has opted to implement a process to require officeholders to log in to online accounts for credit cards and print the bill at the conclusion of the billing cycle. This printed bill and supporting documentation can then be submitted to the County Clerk/Commission to approve and pay the bills in a timely manner. All elected officials have been reminded to ensure credit cards are only utilized by authorized users and are adequately secured between uses.

Auditor's Evaluation: The County's response is sufficient to correct the concern.

## **ITEMS OF NONCOMPLIANCE**

### **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

#### **2022-002: Internal Control Over Compliance Reporting**

Federal Grantor: U.S. Department of the Treasury

Pass-Through Grantor: Missouri State Treasurer's Office

Federal ALN Number: 21.019

Program Title: COVID-19 Coronavirus Relief Fund

Pass-through Entity Identifying Number: N/A

Award Year: 2021

Questioned Costs: None

Criteria: The Uniform Guidance Compliance Supplement and Federal Register requires recipients of the Coronavirus Relief Fund program to submit periodic federal financial reports until either funding is depleted, or until the period of performance has expired.

Condition: Upon request, the periodic financial reports were not provided for review. After inquiry, the County could not locate the reports on the reporting portal, and the County did not maintain documentation in their physical records.

Cause: The County did not maintain adequate documentation to support the submission of periodic financial reports required by the Coronavirus Relief Fund program.

Effect: Non-compliance with federal grant programs could result in loss of future federal funding or penalties.

Recommendation: We recommend that the County implement internal controls to ensure adequate documentation of federal grant programs is maintained.

County's Response: We understand the importance of having adequate documentation for Federal Grant programs. We hired an outside agency to oversee the Coronavirus Relief Fund who did not provide us the adequate documentation needed. We did; however, provide email confirmations that the monies spent were reported to the Treasury. The County will handle all Federal Grant programs in the future to ensure that adequate documentation is maintained by the County.

Auditor's Evaluation: The County's response is sufficient to correct the concern.

**MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:**

- **Summary Schedule of Prior Audit Findings**
  - **Corrective Action Plan**

# WARREN COUNTY COMMISSION

Presiding Commissioner

**Joe Gildehaus**

jgildehaus@warrencountymo.org

Southern District Commissioner

**Tom Meyer**

tmeyer@warrencountymo.org

Northern District Commissioner

**Matt Flake**

maflake@warrencountymo.org



Warren County Administration Building

101 Mockingbird Ln., Ste 300

Warrenton, MO 63383

Phone: 636-456-3045

Fax: 636-456-1801

## WARREN COUNTY, MISSOURI SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Warren County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2020. There were no recommendations issued that required follow-up action.

# WARREN COUNTY COMMISSION

Presiding Commissioner  
**Joe Gildehaus**  
jgildehaus@warrencountymo.org

Southern District Commissioner  
**Tom Meyer**  
tmeyer@warrencountymo.org

Northern District Commissioner  
**Matt Flake**  
maflake@warrencountymo.org



Warren County Administration Building  
101 Mockingbird Ln., Ste 300  
Warrenton, MO 63383

Phone: 636-456-3045  
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## WARREN COUNTY, MISSOURI CORRECTIVE ACTION PLAN

**Finding Reference Number:** 2022-001

**Federal Agency:** N/A

**Program Name:** N/A

**ALN Number:** N/A

**Responsible Official:** Officeholders, County Clerk

**Views of Responsible Individuals:** The County has opted to implement a process to require officeholders to log in to online accounts for credit cards and print the bill at the conclusion of the billing cycle. This printed bill and supporting documentation can then be submitted to the County Clerk/Commission to approve and pay the bills in a timely manner. All elected officials have been reminded to ensure credit cards are only utilized by authorized users and are adequately secured between uses.

**Finding Reference Number:** 2022-002

**Federal Agency:** U.S. Department of the Treasury

**Program Name:** COVID-19 Coronavirus Relief Fund

**ALN Number:** 21.019

**Responsible Official:** County Commission

**Views of Responsible Individuals:** We understand the importance of having adequate documentation for Federal Grant programs. We hired an outside agency to oversee the Coronavirus Relief Fund who did not provide us the adequate documentation needed. We did; however, provide email confirmations that the monies spent were reported to the Treasury. The County will handle all Federal Grant programs in the future to ensure that adequate documentation is maintained by the County.



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## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

August 31, 2023

To the County Commission and Officeholders  
Warren County, Missouri

We have audited the regulatory basis financial statements of Warren County, Missouri for the years ended December 31, 2022 and 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 10, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Warren County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021 and 2022. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 31, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the years ended December 31, 2021 and 2022, we considered Warren County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

### Other Matters

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of

preparing the information to determine that the information complies with accounting principles prescribed or permitted by Missouri law, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Warren County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Marion County, Missouri

The Office of the State Auditor contracted for an audit of Marion County's financial statements for the 2 years ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive style with a large, stylized "S" and "F".

Scott Fitzpatrick  
State Auditor

November 2023  
Report No. 2023-077



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the contracted audit of Marion County

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#### Treasurer Stale Checks

The Treasurer resolve the stale dated checks, turn over any funds required to go to unclaimed property, and remove the items from the list of outstanding checks on the bank reconciliation.

ANNUAL FINANCIAL REPORT

**MARION COUNTY, MISSOURI**

For the Years Ended  
December 31, 2022 and 2021

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

# MARION COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**



MARION COUNTY, MISSOURI  
List of Elected Officials 2021-2022

*County Commission*

Presiding Commissioner – John David Lomax

Commissioner, Western District – Steve Begley

Commissioner, Eastern District – Larry Welch

*Other Elected Officials*

Assessor – Mark Novak

Circuit Clerk, Division I – Valerie Munzlinger

Circuit Clerk, Division II – Chris Corum

Collector – Harry Graves

County Clerk – Valerie Dornberger

County Surveyor – John D. Janes

Coroner – Richard Jones

Prosecuting Attorney – Luke Bryant

Public Administrator – Wendy W. Howe

Recorder – Harla Friesz

Sheriff – Jimmy Shinn

Treasurer – Joelle Fohey

## **FINANCIAL SECTION**

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## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Marion County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Marion County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Marion County, Missouri, as of December 31, 2021 and 2022, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Marion County, Missouri, as of December 31, 2021 and 2022, or the changes in financial position thereof for the years then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Marion County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Marion County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Marion County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Marion County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated September 8, 2023, on our consideration of Marion County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Marion County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
September 8, 2023

MARION COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund	Cash and Investments January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Investments December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Investments December 31, 2022
General Revenue	\$ 1,202,458	\$ 9,025,335	\$ 7,675,065	\$ 2,552,728	\$ 8,046,148	\$ 8,668,903	\$ 1,929,973
Medical Deductible Savings	61,619	300,000	50,000	311,619	300,000	200,000	411,619
Special Road and Bridge	277,850	2,308,198	1,869,367	716,681	2,648,172	2,715,415	649,438
Road	350,996	1,522,964	1,538,140	335,820	1,596,116	1,636,081	295,855
Assessment	85,648	502,864	498,850	89,662	534,471	479,632	144,501
Sheriff's Training	186	5,563	4,970	779	4,669	3,440	2,008
Recorders Preservation	47,968	10,874	3,815	55,027	9,634	16,482	48,179
Sheriff's Deputy Salary Surplus	12,135	12,093	12,620	11,608	9,315	9,530	11,393
Inmate Security	19,789	59,268	48,652	30,405	10,513	25,937	14,981
Prosecuting Attorney Training	540	3,897	3,715	722	3,967	4,226	463
Capital Improvements	590,385	1,988,118	1,571,174	1,007,329	2,739,619	2,761,690	985,258
Prosecuting Attorney Delinquent Tax	10,698	1,970	968	11,700	4,148	2,350	13,498
Local Emergency Planning Committee	51,928	21,347	17,277	55,998	6,879	6,789	56,088
Election Services	19,892	5,457	8,266	17,083	4,881	11,446	10,518
Sheriff's CCW	17,629	23,274	13,289	27,614	5,320	16,639	16,295
Sheriff's	38,116	28,311	41,103	25,324	24,876	29,297	20,903
Law Enforcement Restitution	18,249	44,377	43,259	19,367	35,837	36,312	18,892
Collector's Tax Maintenance	31,299	38,958	49,507	20,750	38,946	41,371	18,325
Domestic Violence	4,322	9,429	8,800	4,951	8,785	9,100	4,636
Recorder's Technology	69,860	33,899	23,858	79,901	33,279	10,776	102,404
General Revenue Emergency	1,021,092	267,007	-	1,288,099	307,542	-	1,595,641
Jail Renovation	259,213	53,304	-	312,517	152,053	-	464,570
CARES Act COVID-19	40,130	2,100	18,072	24,158	119	-	24,277
ARPA	-	2,773,370	2,001,824	771,546	2,781,308	1,464,781	2,088,073
JJC Preservation	-	41,315	-	41,315	69,011	33,444	76,882
Total	\$ 4,232,002	\$ 19,083,292	\$ 15,502,591	\$ 7,812,703	\$ 19,375,608	\$ 18,183,641	\$ 9,004,670

The accompanying Notes to the Financial Statements are an integral part of this statement.

MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND Year Ended December 31,				
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 730,000	\$ 723,059	\$ 730,000	\$ 797,518
Sales taxes	2,950,000	3,244,102	3,200,000	3,491,145
Intergovernmental	336,759	412,429	347,214	492,676
Charges for services	1,805,500	1,807,188	1,784,500	1,974,321
Interest	8,500	1,895	2,000	11,403
Other	126,779	69,534	44,533	89,667
Transfers in	1,130,240	2,767,128	1,179,037	1,189,418
Total Receipts	<u>\$ 7,087,778</u>	<u>\$ 9,025,335</u>	<u>\$ 7,287,284</u>	<u>\$ 8,046,148</u>
DISBURSEMENTS				
County Commission	\$ 238,468	\$ 236,797	\$ 242,571	\$ 242,240
County Clerk	252,225	245,853	276,034	276,018
Elections	141,446	117,944	254,533	242,123
Hannibal Courthouse	93,397	87,069	109,264	95,135
Palmyra Courthouse	68,997	62,141	79,914	79,849
Treasurer	118,303	116,847	126,266	123,308
Collector	363,227	352,839	370,492	370,444
Recorder of Deeds	249,109	248,434	291,338	260,330
Circuit Clerk Division I	8,700	6,497	9,700	7,449
Circuit Clerk Division II	25,200	11,618	19,000	11,725
Circuit Judge	1,250	39	1,250	-
Associate Judge	12,500	11,596	15,000	12,479
Court Reporter	1,775	-	1,775	989
Public Administrator	252,701	210,420	242,297	242,208
Sheriff	3,979,125	3,980,915	4,473,049	4,472,955
Prosecuting Attorney	479,899	479,357	510,097	503,926
Juvenile Justice Center	256,093	242,301	327,458	247,146
Coroner	109,379	99,356	107,308	106,361
Planning & Zoning	8,168	1,343	7,168	2,609
Child Support Enforcement	111,415	101,661	111,415	82,385
Victim Advocate Grant	42,350	39,757	54,999	54,897
Emergency Preparedness	31,460	20,220	33,060	20,520
Criminal Costs	52,450	52,436	56,000	44,310
Jury/Witness	20,000	3,776	40,000	2,015
Other Expenditures	441,148	291,159	529,311	535,124
Association Contracts	113,150	112,190	89,858	89,858
Transfers out	242,500	392,500	242,500	542,500
Emergency fund	150,000	150,000	300,000	-
Total Disbursements	<u>\$ 7,864,435</u>	<u>\$ 7,675,065</u>	<u>\$ 8,921,657</u>	<u>\$ 8,668,903</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (776,657)</u>	<u>\$ 1,350,270</u>	<u>\$ (1,634,373)</u>	<u>\$ (622,755)</u>
CASH AND INVESTMENTS, JANUARY 1	<u>1,202,458</u>	<u>1,202,458</u>	<u>2,552,728</u>	<u>2,552,728</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 425,801</u></u>	<u><u>\$ 2,552,728</u></u>	<u><u>\$ 918,355</u></u>	<u><u>\$ 1,929,973</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

## MARION COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	MEDICAL DEDUCTIBLE SAVINGS FUND				SPECIAL ROAD AND BRIDGE FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	-	\$ 1,572,970	\$ 1,566,903	\$ 1,575,000	\$ 1,669,371
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	620,075	642,358	612,500	973,939
Charges for services	-	-	-	-	-	-	-	-
Interest	200	-	-	-	4,750	1,407	2,000	4,862
Other	-	-	-	-	45,000	97,530	45,000	-
Transfers in	300,000	300,000	300,000	300,000	-	-	-	-
Total Receipts	\$ 300,200	\$ 300,000	\$ 300,000	\$ 300,000	\$ 2,242,795	\$ 2,308,198	\$ 2,234,500	\$ 2,648,172
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	-	\$ 898,104	\$ 888,913	\$ 960,920	\$ 967,343
Employee fringe benefits	361,619	50,000	611,619	200,000	594,789	588,069	604,033	603,637
Materials and supplies	-	-	-	-	88,000	80,711	96,000	95,375
Services and other	-	-	-	-	47,366	42,239	50,168	48,905
Capital outlay	-	-	-	-	571,600	219,435	954,300	950,155
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	50,000	50,000	50,000	50,000
Total Disbursements	\$ 361,619	\$ 50,000	\$ 611,619	\$ 200,000	\$ 2,249,859	\$ 1,869,367	\$ 2,715,421	\$ 2,715,415
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (61,419)	\$ 250,000	\$ (311,619)	\$ 100,000	\$ (7,064)	\$ 438,831	\$ (480,921)	\$ (67,243)
CASH AND INVESTMENTS, JANUARY 1	61,619	61,619	311,619	311,619	277,850	277,850	716,681	716,681
CASH AND INVESTMENTS, DECEMBER 31	\$ 200	\$ 311,619	\$ -	\$ 411,619	\$ 270,786	\$ 716,681	\$ 235,760	\$ 649,438

The accompanying Notes to the Financial Statements are an integral part of these statements.



MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ROAD FUND			ASSESSMENT FUND			
	Year Ended December 31,		2022	Year Ended December 31,		2022	
	2021	2022		2021	2022		
	Budget	Actual	Budget	Actual	Budget	Actual	
RECEIPTS							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	1,350,000	1,424,341	1,425,000	1,506,558	-	-	-
Intergovernmental	-	-	-	-	482,793	483,353	519,989
Charges for services	155,000	98,623	50,000	89,558	22,000	19,195	13,276
Interest	-	-	-	-	1,400	316	1,206
Other	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ 1,505,000	\$ 1,522,964	\$ 1,475,000	\$ 1,596,116	\$ 506,193	\$ 502,864	\$ 534,471
DISBURSEMENTS							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 302,491	\$ 312,566	\$ 317,268
Employee fringe benefits	-	-	-	-	142,398	140,117	137,621
Materials and supplies	1,553,000	1,464,895	1,663,500	1,558,172	7,000	8,173	7,568
Services and other	-	-	-	-	34,900	36,337	8,993
Capital outlay	-	-	-	-	12,080	1,657	8,182
Construction	-	-	-	-	-	-	-
Transfers out	62,500	73,245	62,500	77,909	-	-	-
Total Disbursements	\$ 1,615,500	\$ 1,538,140	\$ 1,726,000	\$ 1,636,081	\$ 498,869	\$ 498,850	\$ 479,632
RECEIPTS OVER (UNDER)							
DISBURSEMENTS	\$ (110,500)	\$ (15,176)	\$ (251,000)	\$ (39,965)	\$ 7,324	\$ 4,014	\$ 54,839
CASH AND INVESTMENTS, JANUARY 1	350,996	350,996	335,820	335,820	85,648	85,648	89,662
CASH AND INVESTMENTS, DECEMBER 31	\$ 240,496	\$ 335,820	\$ 84,820	\$ 295,855	\$ 92,972	\$ 89,662	\$ 144,501

The accompanying Notes to the Financial Statements are an integral part of these statements.

MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S TRAINING FUND				RECORDER'S PRESERVATION FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	5,000	5,563	5,000	4,669	10,000	10,803	10,000	9,348
Interest	-	-	-	-	400	71	60	286
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 5,000	\$ 5,563	\$ 5,000	\$ 4,669	\$ 10,400	\$ 10,874	\$ 10,060	\$ 9,634
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	5,000	4,970	5,000	3,440	10,000	3,815	16,500	16,482
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 5,000	\$ 4,970	\$ 5,000	\$ 3,440	\$ 10,000	\$ 3,815	\$ 16,500	\$ 16,482
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ -	\$ 593	\$ -	\$ 1,229	\$ 400	\$ 7,059	\$ (6,440)	\$ (6,848)
CASH AND INVESTMENTS, JANUARY 1	186	186	779	779	47,968	47,968	55,027	55,027
CASH AND INVESTMENTS, DECEMBER 31	\$ 186	\$ 779	\$ 779	\$ 2,008	\$ 48,368	\$ 55,027	\$ 48,587	\$ 48,179

The accompanying Notes to the Financial Statements are an integral part of these statements.

## MARION COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S DEPUTY SALARY SURPLUS FUND			INMATE SECURITY FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	14,000	12,093	13,000	29,000	59,268	10,513
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 14,000	\$ 12,093	\$ 13,000	\$ 29,000	\$ 59,268	\$ 10,513
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	14,000	12,620	12,000	48,655	48,652	25,937
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 14,000	\$ 12,620	\$ 12,000	\$ 48,655	\$ 48,652	\$ 25,937
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ -	\$ (527)	\$ 1,000	\$ (19,655)	\$ 10,616	\$ (15,424)
CASH AND INVESTMENTS, JANUARY 1	12,135	12,135	11,608	19,789	19,789	30,405
CASH AND INVESTMENTS, DECEMBER 31	\$ 12,135	\$ 11,608	\$ 12,608	\$ 134	\$ 30,405	\$ 14,981

The accompanying Notes to the Financial Statements are an integral part of these statements.

## MARION COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY TRAINING FUND				CAPITAL IMPROVEMENTS FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	1,700,000	1,902,402	1,900,000	1,976,530
Intergovernmental	-	-	-	-	610,000	84,409	690,000	758,375
Charges for services	5,000	3,897	5,000	3,967	-	-	-	-
Interest	-	-	-	-	5,500	1,307	1,200	4,714
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 5,000	\$ 3,897	\$ 5,000	\$ 3,967	\$ 2,315,500	\$ 1,988,118	\$ 2,591,200	\$ 2,739,619
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 170,292	\$ 172,216	\$ 183,916	\$ 186,405
Employee fringe benefits	-	-	-	-	103,714	103,131	106,065	105,579
Materials and supplies	-	-	-	-	5,750	4,402	5,000	5,789
Services and other	5,000	3,715	5,000	4,226	799,700	159,106	1,261,850	1,224,908
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	1,155,000	1,132,319	1,205,000	1,239,009
Total Disbursements	\$ 5,000	\$ 3,715	\$ 5,000	\$ 4,226	\$ 2,234,456	\$ 1,571,174	\$ 2,761,831	\$ 2,761,690
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ -	\$ 182	\$ -	\$ (259)	\$ 81,044	\$ 416,944	\$ (170,631)	\$ (22,071)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	540	540	722	722	590,385	590,385	1,007,329	1,007,329
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 540	\$ 722	\$ 722	\$ 463	\$ 671,429	\$ 1,007,329	\$ 836,698	\$ 985,258

The accompanying Notes to the Financial Statements are an integral part of these statements.

## MARION COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY DELINQUENT TAX FUND				LOCAL EMERGENCY PLANNING COMMITTEE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	15,000	21,262	15,000	6,596
Charges for services	2,200	1,955	2,200	4,086	8,500	15	-	-
Interest	80	15	15	62	425	70	60	283
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 2,280	\$ 1,970	\$ 2,215	\$ 4,148	\$ 23,925	\$ 21,347	\$ 15,060	\$ 6,879
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	750	36	750	107
Services and other	6,000	968	6,000	2,350	30,500	5,943	26,000	6,682
Capital outlay	-	-	-	-	10,000	11,298	12,000	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 6,000	\$ 968	\$ 6,000	\$ 2,350	\$ 41,250	\$ 17,277	\$ 38,750	\$ 6,789
<b>RECEIPTS OVER (UNDER)</b>								
DISBURSEMENTS	\$ (3,720)	\$ 1,002	\$ (3,785)	\$ 1,798	\$ (17,325)	\$ 4,070	\$ (23,690)	\$ 90
<b>CASH AND INVESTMENTS,</b>								
<b>JANUARY 1</b>	10,698	10,698	11,700	11,700	51,928	51,928	55,998	55,998
<b>CASH AND INVESTMENTS,</b>								
<b>DECEMBER 31</b>	\$ 6,978	\$ 11,700	\$ 7,915	\$ 13,498	\$ 34,603	\$ 55,998	\$ 32,308	\$ 56,088

The accompanying Notes to the Financial Statements are an integral part of these statements.

MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ELECTION SERVICES FUND				SHERIFF'S CCW FUND			
	Year Ended December 31,		2022		2021		Year Ended December 31,	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	10,500	5,427	10,000	4,809	12,000	23,270	18,000	5,200
Interest	150	30	25	72	-	4	-	120
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 10,650	\$ 5,457	\$ 10,025	\$ 4,881	\$ 12,000	\$ 23,274	\$ 18,000	\$ 5,320
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	10,500	8,266	15,000	11,446	10,000	10,275	10,000	6,900
Capital outlay	-	-	-	-	3,300	3,014	6,650	9,739
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 10,500	\$ 8,266	\$ 15,000	\$ 11,446	\$ 13,300	\$ 13,289	\$ 16,650	\$ 16,639
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 150	\$ (2,809)	\$ (4,975)	\$ (6,565)	\$ (1,300)	\$ 9,985	\$ 1,350	\$ (11,319)
CASH AND INVESTMENTS, JANUARY 1	19,892	19,892	17,083	17,083	17,629	17,629	27,614	27,614
CASH AND INVESTMENTS, DECEMBER 31	\$ 20,042	\$ 17,083	\$ 12,108	\$ 10,518	\$ 16,329	\$ 27,614	\$ 28,964	\$ 16,295

The accompanying Notes to the Financial Statements are an integral part of these statements.

MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S FUND			LAW ENFORCEMENT RESTITUTION FUND		
	Year Ended December 31,		2022	Year Ended December 31,		2022
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	40,000	28,261	30,000	24,786	40,000	35,729
Interest	425	50	50	90	250	35
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 40,425	\$ 28,311	\$ 30,050	\$ 24,876	\$ 40,250	\$ 44,377
					\$ 40,035	\$ 35,837
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	1,000	348	1,000	179	-	-
Services and other	15,200	31,065	8,300	17,910	52,000	44,000
Capital outlay	25,000	9,690	20,000	11,208	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 41,200	\$ 41,103	\$ 29,300	\$ 29,297	\$ 52,000	\$ 44,000
					\$ 43,259	\$ 36,312
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (775)	\$ (12,792)	\$ 750	\$ (4,421)	\$ (11,750)	\$ (3,965)
					\$ 1,118	\$ (475)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	38,116	38,116	25,324	25,324	18,249	19,367
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 37,341	\$ 25,324	\$ 26,074	\$ 20,903	\$ 6,499	\$ 15,402
					\$ 19,367	\$ 18,892

The accompanying Notes to the Financial Statements are an integral part of these statements.

MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	COLLECTOR'S TAX MAINTENANCE FUND			DOMESTIC VIOLENCE FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	41,000	38,877	41,000	38,758	12,000	8,785
Interest	200	81	100	188	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 41,200	\$ 38,958	\$ 41,100	\$ 38,946	\$ 12,000	\$ 8,785
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	1,000	150	700	-	-	-
Services and other	12,600	4,033	12,300	3,849	12,000	9,100
Capital outlay	12,000	7,324	10,000	7,522	-	-
Construction	-	-	-	-	-	-
Transfers out	38,000	38,000	30,000	30,000	-	-
Total Disbursements	\$ 63,600	\$ 49,507	\$ 53,000	\$ 41,371	\$ 12,000	\$ 9,100
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (22,400)	\$ (10,549)	\$ (11,900)	\$ (2,425)	\$ -	\$ (315)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	31,299	31,299	20,750	20,750	4,322	4,951
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 8,899	\$ 20,750	\$ 8,850	\$ 18,325	\$ 1,822	\$ 4,951
					\$ 4,951	\$ 4,636

The accompanying Notes to the Financial Statements are an integral part of these statements.



MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDER'S TECHNOLOGY FUND			GENERAL REVENUE EMERGENCY FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021		2022	2021		2022
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	35,000	33,782	33,000	32,807	-	-
Interest	600	117	95	472	17,007	7,542
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 35,600	\$ 33,899	\$ 33,095	\$ 33,279	\$ 300,000	\$ 300,000
					\$ 267,007	\$ 307,542
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	35,000	23,858	33,000	10,776	-	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 35,000	\$ 23,858	\$ 33,000	\$ 10,776	\$ -	\$ -
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 600	\$ 10,041	\$ 95	\$ 22,503	\$ 267,007	\$ 307,542
<b>CASH AND INVESTMENTS, JANUARY 1</b>	69,860	69,860	79,901	79,901	1,288,099	1,288,099
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 70,460	\$ 79,901	\$ 79,996	\$ 102,404	\$ 1,588,099	\$ 1,595,641

The accompanying Notes to the Financial Statements are an integral part of these statements.

MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	JAIL RENOVATION FUND			CARES ACT COVID-19 FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	3,500	3,304	-	37	10	119
Other	-	-	-	2,063	-	-
Transfers in	50,000	50,000	150,000	-	-	-
Total Receipts	\$ 53,500	\$ 53,304	\$ 150,000	\$ 2,100	\$ 10	\$ 119
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	-	-	462,517	18,072	24,150	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ 462,517	\$ 18,072	\$ 24,150	\$ -
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 53,500	\$ 53,304	\$ (312,517)	\$ (15,972)	\$ (24,140)	\$ 119
<b>CASH AND INVESTMENTS, JANUARY 1</b>	259,213	259,213	312,517	40,130	24,158	24,158
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 312,713	\$ 312,517	\$ -	\$ 24,158	\$ 18	\$ 24,277

The accompanying Notes to the Financial Statements are an integral part of these statements.

MARION COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ARPA FUND			JJC PRESERVATION FUND		
	Year Ended December 31,		2022	Year Ended December 31,		2022
	2021			2021		
	Budget	Actual	Budget	Budget	Actual	Budget
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	2,770,809	2,770,809	2,770,809	-	-	-
Charges for services	-	-	-	41,309	41,309	68,673
Interest	2,440	2,561	2,000	-	6	338
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 2,773,249</u>	<u>\$ 2,773,370</u>	<u>\$ 2,772,809</u>	<u>\$ 41,309</u>	<u>\$ 41,315</u>	<u>\$ 69,011</u>
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	2,773,249	320,760	3,544,234	-	-	33,444
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	1,681,064	-	-	-	-
Total Disbursements	<u>\$ 2,773,249</u>	<u>\$ 2,001,824</u>	<u>\$ 3,544,234</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,444</u>
<b>RECEIPTS OVER (UNDER)</b>						
DISBURSEMENTS	\$ -	\$ 771,546	\$ (771,425)	\$ 41,309	\$ 41,315	\$ (41,309)
						\$ 35,567
<b>CASH AND INVESTMENTS,</b>						
<b>JANUARY 1</b>	-	-	771,546	-	-	41,315
<b>CASH AND INVESTMENTS,</b>						
<b>DECEMBER 31</b>	\$ -	\$ 771,546	\$ 121	\$ 41,309	\$ 41,315	\$ 76,882

The accompanying Notes to the Financial Statements are an integral part of these statements.

MARION COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund/Account	Cash and Cash Equivalents January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Cash Equivalents December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Cash Equivalents December 31, 2022
Treasurer County Ambulance	\$ -	\$ 266,676	\$ 266,676	\$ -	\$ 284,757	\$ 284,757	\$ -
Treasurer County Employee Retire	-	246,349	246,349	-	248,915	248,915	-
Treasurer City Intangible	-	21,685	21,685	-	9,296	9,296	-
Treasurer District Schools	-	20,828,370	20,828,370	-	22,888,477	22,888,477	-
Treasurer Grassy Creek Watershed	-	6,984	6,984	-	8,044	8,044	-
Treasurer Handicap	-	636,505	636,505	-	676,690	676,690	-
Treasurer Health Department	-	463,955	463,955	-	481,984	481,984	-
Treasurer Han Rural Fire	-	52,112	52,112	-	57,228	57,228	-
Treasurer Monroe Ambulance	-	39,991	39,991	-	42,298	42,298	-
Treasurer Marion County Public Library	-	244,222	244,222	-	263,302	263,302	-
Treasurer Nursing Home	-	724,379	724,379	-	769,729	769,729	-
Treasurer Palmyra Fire Protection Dist	-	470,190	470,190	-	517,596	517,596	-
Treasurer R4 Fire	-	42,628	42,628	-	48,319	48,319	-
Treasurer Troublesome Watershed	-	9,191	9,191	-	8,873	8,873	-
Treasurer's Common School	52,184	163,977	162,195	53,966	156,964	135,520	75,410
Total Collector	25,351,302	28,816,833	29,894,529	24,273,606	40,720,351	37,110,133	27,883,824
Recorder	21,490	240,890	242,599	19,781	204,307	210,380	13,708
Sheriff's Account	8,444	499,727	493,173	14,998	508,081	516,324	6,755
Sheriff's Inmate Account	66,202	527,069	528,555	64,716	476,504	465,337	75,883
Public Administrator	282,926	1,753,564	1,561,435	475,055	1,736,445	1,636,433	575,067
Total	<u>\$ 25,782,548</u>	<u>\$ 56,055,297</u>	<u>\$ 56,935,723</u>	<u>\$ 24,902,122</u>	<u>\$ 70,108,160</u>	<u>\$ 66,379,635</u>	<u>\$ 28,630,647</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

MARION COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Marion County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are eleven elected Constitutional Officers: Assessor, Circuit Clerk, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder of Deeds, Sheriff, Surveyor, and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Marion County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022 and 2021, for purposes of taxation were:

	2022	2021
Real Estate	\$ 345,918,620	\$ 339,984,450
Personal Property	139,175,798	115,544,352
Railroad and Utilities	67,383,368	63,252,132
Total	<u>\$ 552,477,786</u>	<u>\$ 518,780,934</u>

For calendar years 2022 and 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022	2021
General Revenue	\$ 0.1350	\$ 0.1350
Special Road and Bridge	0.3153	0.3153
Senate Bill 40 Board*	0.1300	0.1300

\* The fund containing the Senate Bill 40 Board is audited separately from the county audit. Therefore, financial information pertaining to this levy is not presented within this report.

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been

eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 6,944,459	\$ 7,130,623	\$ 250,000
Investments - Governmental Funds	<u>2,060,211</u>	<u>2,060,211</u>	<u>1,542,794</u>
Total Governmental Funds	<u>\$ 9,004,670</u>	<u>\$ 9,190,834</u>	<u>\$ 1,792,794</u>
 Cash and Cash Equivalents - Fiduciary Funds	 <u>\$ 28,630,647</u>	 <u>\$ 26,414,297</u>	 <u>\$ 1,210,719</u>

At December 31, 2021, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 6,212,087	\$ 6,570,608	\$ 250,000
Investments - Governmental Funds	<u>1,600,616</u>	<u>1,600,616</u>	<u>1,387,537</u>
Total Governmental Funds	<u>\$ 7,812,703</u>	<u>\$ 8,171,224</u>	<u>\$ 1,637,537</u>
 Cash and Cash Equivalents - Fiduciary Funds	 <u>\$ 24,902,122</u>	 <u>\$ 23,092,807</u>	 <u>\$ 1,138,213</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 and 2021 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

## 3. COUNTY EMPLOYEES' RETIREMENT PLANS

### A. Missouri Local Government Employees Retirement System (LAGERS)

#### 1) Plan Description

Marion County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in



Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

## 2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

## 3) Funding Policy

Full-time employees of Marion County do not contribute to the pension plan. The June 30<sup>th</sup> statutorily required contribution rates were 19.3% and 20.8% (General), and 16.6% and 17.5% (Police) of annual covered payroll for 2022 and 2021 respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the years ended December 31, 2022 and 2021, the County contributed \$898,036 and \$860,388 to LAGERS.

## B. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. The County has elected not to make contributions on behalf of employees. During 2022 and 2021, the County collected and remitted to CERF employee withholdings of \$248,915 and \$246,349, respectively, for the years then ended.

## C. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$11,628 for the years ended December 31, 2022 and 2021.

## 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

## 5. CLAIMS, COMMITMENT AND CONTINGENCIES

### A. Compensated Absences

The County provides full-time employees with twelve days of sick leave for each year of employment. An employee will not be compensated for any accumulated sick leave upon termination of employment. At full retirement, if an employee has 700 or more hours of accumulated sick leave, the employee would receive 350 hours of their paid sick leave.

The County provides regular full-time employees with vacation time after they have completed one year of service. Vacation time is made available in whole on the employee's anniversary date. Vacation time is ten days for employees with one year of service, and then one additional day is earned for each year of service up to twenty days. Employees may carry over a maximum of twenty days of vacation into a new employment year. Upon termination, employees are compensated for any unused vacation time.

Full-time employees earn overtime or compensatory time credits based on department assignment. Overtime and Compensatory Time credits are earned at 1.5 times the regular hourly rate of the employee for work hours accumulated over 40 hours in a work week and 80 hours in a two-week pay period. Upon termination, employees are compensated for any compensatory time credits.

### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

### C. Litigation

The County can be subject to various claims and legal proceedings covering a wide range of matters in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition of the County.

## 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body. The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections which are intended to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to

make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2022:

- A. In 2013, Lease Refunding Certificates of Participation (COPS) in the amount of \$395,000 were issued on behalf of the County for a heating and cooling system for the jail. The debt is repaid through annual principal payments and semi-annual interest payments. The interest rate varies between 1.250% and 2.250%. The final payment of \$51,175 was made in June 2021.
- B. In April 2018, the County entered into a \$111,111, 3-year capital lease purchase agreement for three 2018 Ford police interceptor utility AWD vehicles. The lease calls for annual payments of \$39,394 through March 2021. The payments include interest of 3.15%. The final payment was made in March 2021.
- C. In 2019, the County entered into a \$136,994, 3-year capital lease purchase agreement for three 2020 Ford police interceptor utility AWD vehicles. The lease calls for annual payments of \$48,860 through March 2022. The payments include interest of 3.46%. The final payment was made in March 2022.
- D. In 2019, the County entered into a \$482,312, 4-year capital lease purchase agreement for three 2020 Western Star dump trucks. The lease calls for annual payments of \$129,600 through November 2023. The payments include interest of 2.95%.
- E. In 2020, the County entered into a \$120,000, 3-year capital lease purchase agreement for one 2020 Durango and two 2020 Chevy Tahoes. The lease calls for annual payments of \$41,935 through April 2023. The payments include interest of 2.40%.
- F. In 2020, the County entered into a \$37,179, 3-year capital lease purchase agreement for one 2020 Chevy Tahoe. The lease calls for annual payments of \$13,081 through September 2023. The payments include interest of 2.75%.
- G. In 2021, the County entered into a \$128,867, 3-year capital lease purchase agreement for three 2021 Police Package Chevy Tahoes. The lease calls for annual payments of \$44,468 through April 2024. The payments include interest of 1.75%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 42,951	\$ 1,517	\$ 44,468
2024	43,703	765	44,468
Totals	<u>\$ 86,654</u>	<u>\$ 2,282</u>	<u>\$ 88,936</u>

- H. In 2021, the County entered into a \$945,260, 5-year capital lease purchase agreement for five 2021 John Deere 772GP Road Graders. The lease calls for annual payments of \$196,085 through July 2026. The payments include interest of 1.23%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 186,727	\$ 9,358	\$ 196,085
2024	189,024	7,061	196,085
2025	191,349	4,736	196,085
2026	193,702	2,383	196,085
Totals	<u>\$ 760,802</u>	<u>\$ 23,538</u>	<u>\$ 784,340</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
3 2020 Ford Interceptor Vehicles	\$ 47,226	\$ -	\$ (47,226)	\$ -	\$ 1,634
3 2020 Western Star Dump Trucks	248,165	-	(122,279)	125,886	7,321
2020 Durango/2 2020 Chevy Tahoes	80,945	-	(39,993)	40,952	1,943
2020 Chevy Tahoe	25,121	-	(12,390)	12,731	691
3 2021 Police Package Chevy Tahoes	128,867	-	(42,213)	86,654	2,255
5 2021 John Deere 772GP Road Graders	945,260	-	(184,458)	760,802	11,627

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

Description	Balance 12/31/2020	Additions	Payments	Balance 12/31/2021	Interest Paid
Certificates of Participation	\$ 50,000	\$ -	\$ (50,000)	\$ -	\$ 1,175
3 2018 Police Interceptor Vehicles	38,191	-	(38,191)	-	1,203
3 2020 Ford Interceptor Vehicles	92,873	-	(45,647)	47,226	3,213
3 2020 Western Star Dump Trucks	366,940	-	(118,775)	248,165	10,825
2020 Durango/2 2020 Chevy Tahoes	120,000	-	(39,055)	80,945	2,880
2020 Chevy Tahoe	37,179	-	(12,058)	25,121	1,022
3 2021 Police Package Chevy Tahoes	-	128,867	-	128,867	-
5 2021 John Deere 772GP Road Graders	-	945,260	-	945,260	-

## 8. CHANGE IN REPORTING ENTITY

The County has changed the definition of the reporting entity at January 1, 2021 to include the Medical Deductible Savings Fund as governmental funds due to the County Commission approving the budgeting and approving the activity of the fund, which is controlled through the Treasurer's office. This change had the effect of increasing the County's cash balances at January 1, 2021 by \$61,619.

## 9. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through September 8, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Commission and  
Officeholders of Marion County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Marion County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Marion County, Missouri's basic financial statements and have issued our report thereon dated September 8, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Marion County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Marion County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Marion County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that were not identified.



## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Marion County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
September 8, 2023



## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Marion County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Marion County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Marion County, Missouri's major federal programs for the years ended December 31, 2022 and 2021. Marion County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Marion County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2022 and 2021.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Marion County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Marion County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Marion County, Missouri's federal programs.

## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Marion County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Marion County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Marion County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Marion County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Marion County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
September 8, 2023

MARION COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2021	2022
	U. S. DEPARTMENT OF JUSTICE			
16.575	Passed through Missouri Department of Public Safety - Crime Victim Assistance	15POVC-22-GG-00766-ASSI	\$ -	\$ 54,897
	U. S. DEPARTMENT OF TRANSPORTATION			
20.205	Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO-B064(32)	5,192	742,250
	U. S. DEPARTMENT OF THE TREASURY			
21.019	Passed through Missouri State Treasurer - COVID-19 - Coronavirus Relief Fund	N/A	18,072	-
	Direct Program -			
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	N/A	2,001,824	1,464,781
	U. S. ELECTION ASSISTANCE COMMISSION			
90.404	Passed through Missouri Secretary of State - Help America Vote Act Election Security	N/A	-	11,233
	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
93.563	Passed through Missouri Department of Social Services - Child Support Enforcement	ER10220C059	101,661	82,385
	U. S. DEPARTMENT OF HOMELAND SECURITY			
97.039	Passed through Missouri State Emergency Management Agency Hazard Mitigation Grant Program	FEMA-DR-4451-MO	15,750	375
97.042	Emergency Management Performance Grants	EMK-2021-EP-00006-072	8,567	\$ -
97.042	Emergency Management Performance Grants	EMK-2022-EP-00004-068	-	10,209
Total Expenditures of Federal Awards			\$ 2,151,066	\$ 2,366,130

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**MARION COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Marion County, Missouri for the years ended December 31, 2022 and 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUBRECIPIENTS**

The County did not pass any federal awards through to subrecipients during the years ended December 31, 2022 and 2021.

MARION COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2022 AND 2021

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported
- Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?      Yes   X   No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID 19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

**SECTION II – FINANCIAL STATEMENTS FINDINGS**

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

None

**ITEMS OF NONCOMPLIANCE**

None

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

MARION COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Marion County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2020.

There were no findings noted in the prior audit report.



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## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

September 8, 2023

To the County Commission  
Marion County, Missouri

We have audited the regulatory basis financial statements of Marion County, Missouri for the years ended December 31, 2021 and 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 24, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Marion County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021 and 2022. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected during the audit.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated September 8, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the years ended December 31, 2022 and 2021, we considered Marion County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our report on our consideration of internal control over financial reporting dated August 2, 2022. However, during our audit we became aware of matters that are opportunities for strengthening internal controls.

### **Treasurer Stale Checks**

The bank reconciliation of the Treasurer's main checking account for December 31, 2022 included stale dated checks as outstanding for longer than three years. There were two checks outstanding since 2016 and 2018, respectively, totaling \$230 listed as outstanding on the reconciliation that were written prior to

the current audit period. State statutes require that unclaimed property should be done annually and any unclaimed amounts greater than 5 years (3 years for checks written to government entities) should be turned over to the state unclaimed property. We recommend that the Treasurer resolve the stale dated checks, turn over any funds required to go to unclaimed property, and remove the items from the list of outstanding checks on the bank reconciliation.

#### Other Matters

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles prescribed or permitted by Missouri law, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

#### Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Marion County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Holt County, Missouri

The Office of the State Auditor contracted for an audit of Holt County's financial statements for the 2 years ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized with a large "S" and "F".

Scott Fitzpatrick  
State Auditor

November 2023  
Report No. 2023-076



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

### Recommendations in the contracted audit of Holt County

2022-001	The County implement internal controls to ensure that the Schedule of Expenditures of Federal Awards (SEFA) completely and accurately states the expenditures of federal awards of the County each year.
Credit Card Late Fees and Interest	The County Clerk implement procedures to properly monitor and ensure timely payment of credit card statements to avoid incurring unnecessary finance and interest charges.

ANNUAL FINANCIAL REPORT

**HOLT COUNTY, MISSOURI**

For the Years Ended  
December 31, 2022 and 2021

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

HOLT COUNTY, MISSOURI  
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## **INTRODUCTORY SECTION**



HOLT COUNTY, MISSOURI  
List of Elected Officials 2021-2022

*County Commission*

Presiding Commissioner – Thomas Bullock

Commissioner, First District (Acting) – Carla Market

Commissioner, Second District – David Carroll

*Other Elected Officials*

Assessor – LaDonna Jones

Circuit Clerk/Recorder – Vicki Book

Collector – Cindy Wohlford

County Clerk – Angie Gamache

Coroner – Susan Lentz

Prosecuting Attorney – Robert Shepherd

Public Administrator – Velvet Sommer

Sheriff – David McClain

Treasurer – Gay Quick

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Holt County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Holt County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Holt County, Missouri, as of December 31, 2022 and 2021, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Holt County, Missouri, as of December 31, 2022 and 2021, or the changes in financial position thereof for the years then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Holt County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Holt County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Holt County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Holt County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 23, 2023, on our consideration of Holt County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Holt County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 23, 2023

HOLT COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund	Cash and Investments January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Cash Investments December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Cash Investments December 31, 2022
General Revenue	\$ 1,182,804	\$ 2,247,491	\$ 2,083,503	\$ 1,346,792	\$ 2,119,975	\$ 2,188,549	\$ 1,278,218
Special Road & Bridge	986,946	2,372,717	2,494,584	865,079	2,060,582	1,951,729	973,932
Assessment	263,684	195,107	126,992	331,799	202,378	183,204	350,973
Johnson Grass	175,530	58,054	17,878	215,706	61,399	77,730	199,375
Prosecuting Attorney Training	5,705	2,757	-	8,462	2,949	671	10,740
Law Enforcement Training	472	3,044	1,113	2,403	3,170	450	5,123
Local Emergency Planning Commission	3,666	17	346	3,337	49	562	2,824
Recorder's Special	16,895	4,092	3,654	17,333	3,889	1,660	19,562
Neighborhood Improvement District	458	-	-	458	-	-	458
Prosecuting Attorney's Admin Handling	6,753	183	-	6,936	259	5	7,190
911	225,322	265,109	288,177	202,254	245,760	333,309	114,705
State C.A.R.T.	333,535	358,478	394,527	297,486	446,569	361,324	382,731
Local C.A.R.T.	250,799	227,849	228,948	249,700	243,581	174,051	319,230
Sheriff's Civil Fees	15,722	4,063	1,784	18,001	14,528	20,221	12,308
Clerk's Election Fee	6,194	621	1,047	5,768	982	938	5,812
Victims of Domestic Violence	105	125	125	105	140	125	120
Collector's Tax Maintenance	71,363	11,772	3,205	79,930	10,757	12,317	78,370
Senior Citizen's Services	10,253	70,913	70,000	11,166	73,090	70,000	14,256
Community Development Block Grant	-	31,843	31,843	-	67,991	67,991	-
Mausoleum Trusts	29,960	814	72	30,702	252	22	30,932
Sheriff's Revolving	6,982	7,410	3,360	11,032	7,588	5,757	12,863
Deputy Sheriff Salary Supplementation	9,177	13,057	11,660	10,574	7,902	7,312	11,164
Jail Commissary	22,720	5,294	5,395	22,619	7,586	6,886	23,319
Inmate, Prisoner, Detainee Security	26,996	5,974	-	32,970	7,381	405	39,946
CARES Act	1,805	-	1,805	-	-	-	-
ARPA	-	428,886	-	428,886	434,825	388,274	475,437
Total	\$ 3,653,846	\$ 6,315,670	\$ 5,770,018	\$ 4,199,498	\$ 6,023,582	\$ 5,853,492	\$ 4,369,588

The accompanying Notes to the Financial Statements are an integral part of this statement.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND Year Ended December 31,				
	2021		2022	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<b>RECEIPTS</b>				
Property taxes	\$ 525,500	\$ 671,383	\$ 530,000	\$ 687,882
Sales taxes	500,000	697,672	580,050	782,837
Intergovernmental	344,736	454,142	335,475	190,368
Charges for services	209,600	247,664	216,150	245,574
Interest	3,000	8,003	6,000	23,286
Other	1,050	-	50	-
Transfers in	146,500	168,627	150,000	190,028
Total Receipts	<u>\$ 1,730,386</u>	<u>\$ 2,247,491</u>	<u>\$ 1,817,725</u>	<u>\$ 2,119,975</u>
<b>DISBURSEMENTS</b>				
County Commission	\$ 94,000	\$ 91,208	\$ 96,000	\$ 94,777
County Clerk	138,750	127,243	152,314	138,254
Elections	78,000	32,468	78,000	35,538
Buildings and grounds	101,500	72,819	103,690	73,827
Employee fringe benefits	326,500	299,653	354,500	329,019
Treasurer	47,200	44,553	48,064	45,267
Collector	80,200	74,237	79,969	79,713
Recorder of Deeds	30,700	27,476	30,700	28,466
Circuit Clerk	12,000	6,624	13,000	5,868
Court administration	10,900	5,391	10,900	493
Public Administrator	37,225	35,582	42,057	37,465
Sheriff	430,420	280,855	566,764	442,447
Jail	349,500	311,359	351,500	318,926
Prosecuting Attorney	123,940	90,633	111,130	94,223
Juvenile Officer	91,910	64,995	100,200	76,675
Coroner	27,460	18,337	28,225	22,871
Other County government	381,810	378,547	231,750	227,745
Health Department	137,500	109,523	309,300	119,377
Health and welfare	10,615	3,000	10,615	7,000
Transfers out	10,500	9,000	10,500	10,598
Emergency fund	50,000	-	50,000	-
Total Disbursements	<u>\$ 2,570,630</u>	<u>\$ 2,083,503</u>	<u>\$ 2,779,178</u>	<u>\$ 2,188,549</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (840,244)	\$ 163,988	\$ (961,453)	\$ (68,574)
CASH AND INVESTMENTS, JANUARY 1	<u>1,182,804</u>	<u>1,182,804</u>	<u>1,346,792</u>	<u>1,346,792</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 342,560</u>	<u>\$ 1,346,792</u>	<u>\$ 385,339</u>	<u>\$ 1,278,218</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD & BRIDGE FUND			ASSESSMENT FUND		
	Year Ended December 31,		2022	Year Ended December 31,		2022
	Budget	Actual		Budget	Actual	
<b>RECEIPTS</b>						
Property taxes	\$ 507,800	\$ 548,234	\$ 529,800	\$ 566,729	\$ -	\$ -
Sales taxes	177,000	226,111	200,000	238,210	-	-
Intergovernmental	2,826,000	1,030,227	2,184,500	820,077	146,457	153,853
Charges for services	-	-	-	-	13,100	13,100
Interest	1,500	5,165	5,000	15,188	1,200	1,200
Other	2,500	-	5,000	-	-	-
Transfers in	350,000	562,980	540,000	420,378	9,000	9,000
Total Receipts	\$ 3,864,800	\$ 2,372,717	\$ 3,464,300	\$ 2,060,582	\$ 169,757	\$ 177,153
						\$ 202,378
<b>DISBURSEMENTS</b>						
Salaries	\$ 280,000	\$ 263,127	\$ 301,000	\$ 286,187	\$ 102,494	\$ 99,707
Employee fringe benefits	101,000	82,254	109,000	87,029	9,650	8,812
Materials and supplies	2,406,000	1,031,061	2,476,500	1,058,250	11,500	623
Services and other	155,200	143,046	148,200	228,671	121,500	8,463
Capital outlay	222,600	127,413	335,800	241,944	17,500	7,887
Construction	850,000	802,635	-	-	-	-
Transfers out	48,000	45,048	48,000	49,648	2,500	1,500
Total Disbursements	\$ 4,062,800	\$ 2,494,584	\$ 3,418,500	\$ 1,951,729	\$ 265,144	\$ 126,992
						\$ 2,500
						\$ 277,812
						\$ 183,204
<b>RECEIPTS OVER (UNDER)</b>						
<b>DISBURSEMENTS</b>	\$ (198,000)	\$ (121,867)	\$ 45,800	\$ 108,853	\$ (95,387)	\$ 68,115
						\$ (100,659)
						\$ 19,174
<b>CASH AND INVESTMENTS,</b>						
<b>JANUARY 1</b>	986,946	986,946	865,079	865,079	263,684	331,799
<b>CASH AND INVESTMENTS,</b>						
<b>DECEMBER 31</b>	\$ 788,946	\$ 865,079	\$ 910,879	\$ 973,932	\$ 168,297	\$ 331,799
						\$ 231,140
						\$ 350,973

The accompanying Notes to the Financial Statements are an integral part of these statements.



HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	JOHNSON GRASS FUND			PROSECUTING ATTORNEY TRAINING FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021		2022	2021		2022
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ 50,150	\$ 56,441	\$ 52,150	\$ 57,998	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	14,500	188	1,500	162	-	-
Charges for services	-	-	-	-	1,000	2,720
Interest	500	1,100	1,000	3,239	5	37
Other	-	-	-	-	-	-
Transfers in	-	325	-	-	-	-
Total Receipts	\$ 65,150	\$ 58,054	\$ 54,650	\$ 61,399	\$ 1,005	\$ 2,757
					\$ 2,005	\$ 2,949
<b>DISBURSEMENTS</b>						
Salaries	\$ 20,000	\$ 5,553	\$ 20,000	\$ 20,060	\$ -	\$ -
Employee fringe benefits	6,000	425	6,000	1,535	-	-
Materials and supplies	8,000	3,530	8,000	2,291	-	-
Services and other	45,500	5,775	45,500	5,780	1,500	2,000
Capital outlay	41,000	95	48,000	45,564	-	-
Construction	-	-	-	-	-	-
Transfers out	2,500	2,500	2,500	2,500	-	-
Total Disbursements	\$ 123,000	\$ 17,878	\$ 130,000	\$ 77,730	\$ 1,500	\$ -
					\$ 2,000	\$ 671
<b>RECEIPTS OVER (UNDER)</b>						
<b>DISBURSEMENTS</b>	\$ (57,850)	\$ 40,176	\$ (75,350)	\$ (16,331)	\$ (495)	\$ 2,757
					\$ 5	\$ 2,278
<b>CASH AND INVESTMENTS,</b>						
<b>JANUARY 1</b>	175,530	175,530	215,706	215,706	5,705	8,462
<b>CASH AND INVESTMENTS,</b>						
<b>DECEMBER 31</b>	\$ 117,680	\$ 215,706	\$ 140,356	\$ 199,375	\$ 5,210	\$ 8,462
					\$ 8,467	\$ 10,740

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT TRAINING FUND				LOCAL EMERGENCY PLANNING COMMISSION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,650	863	1,650	908	-	-	-	-
Charges for services	2,650	2,174	2,650	2,213	-	-	-	-
Interest	20	7	20	49	20	17	20	49
Other	10	-	10	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 4,330</u>	<u>\$ 3,044</u>	<u>\$ 4,330</u>	<u>\$ 3,170</u>	<u>\$ 20</u>	<u>\$ 17</u>	<u>\$ 20</u>	<u>\$ 49</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	150	64	150	-
Services and other	2,300	1,113	2,300	450	3,400	282	3,000	562
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,300</u>	<u>\$ 1,113</u>	<u>\$ 2,300</u>	<u>\$ 450</u>	<u>\$ 3,550</u>	<u>\$ 346</u>	<u>\$ 3,150</u>	<u>\$ 562</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 2,030	\$ 1,931	\$ 2,030	\$ 2,720	\$ (3,530)	\$ (329)	\$ (3,130)	\$ (513)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	472	472	2,403	2,403	3,666	3,666	3,337	3,337
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	<u>\$ 2,502</u>	<u>\$ 2,403</u>	<u>\$ 4,433</u>	<u>\$ 5,123</u>	<u>\$ 136</u>	<u>\$ 3,337</u>	<u>\$ 207</u>	<u>\$ 2,824</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDER'S SPECIAL FUND				NEIGHBORHOOD IMPROVEMENT DISTRICT FUND			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 50	\$ -	\$ 50	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	3,200	4,002	3,200	3,612	-	-	-	-
Interest	40	90	40	277	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 3,240	\$ 4,092	\$ 3,240	\$ 3,889	\$ 50	\$ -	\$ 50	\$ -
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	1,650	-	1,650	1,660	-	-	-	-
Services and other	9,200	3,654	9,200	-	400	-	400	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 10,850	\$ 3,654	\$ 10,850	\$ 1,660	\$ 400	\$ -	\$ 400	\$ -
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (7,610)	\$ 438	\$ (7,610)	\$ 2,229	\$ (350)	\$ -	\$ (350)	\$ -
<b>CASH AND INVESTMENTS, JANUARY 1</b>	16,895	16,895	17,333	17,333	458	458	458	458
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 9,285	\$ 17,333	\$ 9,723	\$ 19,562	\$ 108	\$ 458	\$ 108	\$ 458

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

		PROSECUTING ATTORNEY'S ADMINISTRATIVE HANDLING COSTS FUND				911 FUND			
		Year Ended December 31,		Year Ended December 31,		2021		2022	
		2021		2022		2021		2022	
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>									
Property taxes	\$	-	\$	-	\$	-	\$	-	\$
Sales taxes	-	-	-	-	-	200,100	240,901	250,100	238,207
Intergovernmental	-	-	-	-	-	10,500	22,005	16,000	3,369
Charges for services	475	150	475	150	400	-	-	400	-
Interest	25	33	25	109	1,000	1,303	1,000	1,000	3,229
Other	-	-	-	-	1,100	900	1,100	1,100	955
Transfers in	-	-	-	-	-	-	-	-	-
Total Receipts	\$	500	\$ 183	\$ 500	\$ 259	\$ 213,100	\$ 265,109	\$ 268,600	\$ 245,760
<b>DISBURSEMENTS</b>									
Salaries	\$	-	\$	-	\$	-	\$	-	\$
Employee fringe benefits	-	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	49,600	43,408	48,100	43,329
Services and other	6,000	-	6,000	5	88,500	70,056	94,500	60,435	60,435
Capital outlay	-	-	-	-	105,500	56,083	98,000	97,305	97,305
Construction	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	97,000	118,630	100,000	132,240
Total Disbursements	\$	6,000	\$ -	\$ 6,000	\$ 5	\$ 340,600	\$ 288,177	\$ 340,600	\$ 333,309
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>									
	\$	(5,500)	\$ 183	\$ (5,500)	\$ 254	\$ (127,500)	\$ (23,068)	\$ (72,000)	\$ (87,549)
<b>CASH AND INVESTMENTS, JANUARY 1</b>									
		6,753	6,753	6,936	6,936	225,322	225,322	202,254	202,254
<b>CASH AND INVESTMENTS, DECEMBER 31</b>									
	\$	1,253	\$ 6,936	\$ 1,436	\$ 7,190	\$ 97,822	\$ 202,254	\$ 130,254	\$ 114,705

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	STATE C.A.R.T. FUND			LOCAL C.A.R.T. FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	185,000	226,111	238,209
Intergovernmental	360,000	356,058	360,000	-	-	-
Charges for services	-	-	-	-	-	-
Interest	1,200	2,420	1,200	400	1,738	5,372
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 361,200	\$ 358,478	\$ 361,200	\$ 185,400	\$ 227,849	\$ 243,581
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	220,000	42,147	220,000	67,500	18,348	15,924
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	200,000	352,380	200,000	150,000	210,600	158,127
Total Disbursements	\$ 420,000	\$ 394,527	\$ 420,000	\$ 217,500	\$ 228,948	\$ 174,051
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (58,800)	\$ (36,049)	\$ (58,800)	\$ (32,100)	\$ (1,099)	\$ 69,530
<b>CASH AND INVESTMENTS, JANUARY 1</b>	333,535	333,535	297,486	250,799	250,799	249,700
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 274,735	\$ 297,486	\$ 238,686	\$ 218,699	\$ 249,700	\$ 319,230

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S CIVIL FEES FUND			CLERK'S ELECTION FEE FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	14,985	11,020	513	600
Charges for services	7,000	3,980	7,000	3,340	-	295
Interest	15	83	15	168	10	-
Other	-	-	-	-	30	10
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 7,015	\$ 4,063	\$ 22,000	\$ 14,528	\$ 1,223	\$ 700
					\$ 621	\$ 1,310
						\$ 598
						\$ 982
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	3,375	902	6,000	7,275	1,000	-
Services and other	-	-	10,000	7,360	4,000	938
Capital outlay	3,375	882	6,000	5,586	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 6,750	\$ 1,784	\$ 22,000	\$ 20,221	\$ 5,000	\$ -
					\$ 1,047	\$ 938
<b>RECEIPTS OVER (UNDER)</b>						
<b>DISBURSEMENTS</b>	\$ 265	\$ 2,279	\$ -	\$ (5,693)	\$ (3,777)	\$ (426)
					\$ (3,690)	\$ 44
<b>CASH AND INVESTMENTS,</b>						
<b>JANUARY 1</b>	15,722	15,722	18,001	18,001	6,194	5,768
<b>CASH AND INVESTMENTS,</b>						
<b>DECEMBER 31</b>	\$ 15,987	\$ 18,001	\$ 18,001	\$ 12,308	\$ 2,417	\$ 5,768
					\$ 2,078	\$ 5,812

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	VICTIMS OF DOMESTIC VIOLENCE FUND				COLLECTOR'S TAX MAINTENANCE FUND			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	150	125	150	140	10,000	11,772	10,000	10,757
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 150	\$ 125	\$ 150	\$ 140	\$ 10,000	\$ 11,772	\$ 10,000	\$ 10,757
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	10,000	1,331	10,000	7,137
Services and other	200	125	200	125	1,900	100	1,900	540
Capital outlay	-	-	-	-	5,000	500	5,000	1,000
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	1,274	1,274	3,640	3,640
Total Disbursements	\$ 200	\$ 125	\$ 200	\$ 125	\$ 18,174	\$ 3,205	\$ 20,540	\$ 12,317
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (50)	\$ -	\$ (50)	\$ 15	\$ (8,174)	\$ 8,567	\$ (10,540)	\$ (1,560)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	105	105	105	105	71,363	71,363	79,930	79,930
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 55	\$ 105	\$ 55	\$ 120	\$ 63,189	\$ 79,930	\$ 69,390	\$ 78,370

The accompanying Notes to the Financial Statements are an integral part of these statements.

## HOLT COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SENIOR CITIZEN'S SERVICES FUND				COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 60,550	\$ 70,816	\$ 63,350	\$ 72,764	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	1,013,000	31,843	725,000	67,991
Charges for services	-	-	-	-	-	-	-	-
Interest	40	97	40	326	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 60,590	\$ 70,913	\$ 63,390	\$ 73,090	\$ 1,013,000	\$ 31,843	\$ 725,000	\$ 67,991
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	70,000	70,000	70,000	70,000	1,013,000	31,843	725,000	67,991
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 1,013,000	\$ 31,843	\$ 725,000	\$ 67,991
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (9,410)	\$ 913	\$ (6,610)	\$ 3,090	\$ -	\$ -	\$ -	\$ -
CASH AND INVESTMENTS, JANUARY 1	10,253	10,253	11,166	11,166	-	-	-	-
CASH AND INVESTMENTS, DECEMBER 31	\$ 843	\$ 11,166	\$ 4,556	\$ 14,256	\$ -	\$ -	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.



HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	MAUSOLEUM TRUSTS FUND				SHERIFF'S REVOLVING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	5,500	7,360	5,000	7,410
Interest	400	814	225	252	100	50	100	178
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 400	\$ 814	\$ 225	\$ 252	\$ 5,600	\$ 7,410	\$ 5,100	\$ 7,588
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	4,000	1,800	3,000	100
Services and other	170	72	30	22	3,000	1,024	3,000	303
Capital outlay	-	-	-	-	4,000	536	3,000	5,354
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 170	\$ 72	\$ 30	\$ 22	\$ 11,000	\$ 3,360	\$ 9,000	\$ 5,757
<b>RECEIPTS OVER (UNDER)</b>								
<b>DISBURSEMENTS</b>	\$ 230	\$ 742	\$ 195	\$ 230	\$ (5,400)	\$ 4,050	\$ (3,900)	\$ 1,831
<b>CASH AND INVESTMENTS,</b>								
<b>JANUARY 1</b>	29,960	29,960	30,702	30,702	6,982	6,982	11,032	11,032
<b>CASH AND INVESTMENTS,</b>								
<b>DECEMBER 31</b>	\$ 30,190	\$ 30,702	\$ 30,897	\$ 30,932	\$ 1,582	\$ 11,032	\$ 7,132	\$ 12,863

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	DEPUTY SHERIFF SALARY SUPPLEMENTATION FUND			JAIL COMMISSARY FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Budget	Actual	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	15,000	13,057	15,000	-	-	-
Charges for services	-	-	-	4,000	5,158	7,161
Interest	-	-	-	-	136	425
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 15,000	\$ 13,057	\$ 15,000	\$ 4,000	\$ 5,294	\$ 7,586
<b>DISBURSEMENTS</b>						
Salaries	\$ 15,000	\$ 11,660	\$ 15,000	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	6,000	-	3,147
Services and other	-	-	-	-	-	-
Capital outlay	-	-	-	6,000	5,395	3,739
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 15,000	\$ 11,660	\$ 15,000	\$ 12,000	\$ 5,395	\$ 6,886
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ -	\$ 1,397	\$ -	\$ (8,000)	\$ (101)	\$ 700
<b>CASH AND INVESTMENTS, JANUARY 1</b>	9,177	9,177	10,574	22,720	22,720	22,619
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 9,177	\$ 10,574	\$ 10,574	\$ 14,720	\$ 22,619	\$ 23,319

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	INMATE, PRISONER, DETAINEE SECURITY FUND			CARES ACT FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	7,000	5,821	7,000	-	-	-
Interest	20	153	20	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 7,020	\$ 5,974	\$ 7,020	\$ -	\$ -	\$ -
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	10,300	-	10,300	1,805	-	-
Capital outlay	2,250	-	2,250	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 12,550	\$ -	\$ 12,550	\$ 1,805	\$ 1,805	\$ -
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (5,530)	\$ 5,974	\$ (5,530)	\$ (1,805)	\$ (1,805)	\$ -
<b>CASH AND INVESTMENTS, JANUARY 1</b>	26,996	26,996	32,970	1,805	-	-
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 21,466	\$ 32,970	\$ 27,440	\$ -	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	ARPA FUND			
	Year Ended December 31,			
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Intergovernmental	427,616	427,616	-	427,616
Charges for services	-	-	-	-
Interest	-	1,270	1,500	7,209
Other	-	-	-	-
Transfers in	-	-	-	-
Total Receipts	<u>\$ 427,616</u>	<u>\$ 428,886</u>	<u>\$ 1,500</u>	<u>\$ 434,825</u>
DISBURSEMENTS				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-
Materials and supplies	-	-	-	-
Services and other	-	-	430,385	388,274
Capital outlay	-	-	-	-
Construction	-	-	-	-
Transfers out	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 430,385</u>	<u>\$ 388,274</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 427,616	\$ 428,886	\$ (428,885)	\$ 46,551
CASH AND INVESTMENTS, JANUARY 1	<u>-</u>	<u>-</u>	<u>428,886</u>	<u>428,886</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 427,616</u></u>	<u><u>\$ 428,886</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 475,437</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOLT COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund/Account	Cash and Investments January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Investments December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Investments December 31, 2022
	\$	\$	\$	\$	\$	\$	\$
Treasurer's Levees	1,431,833	801,635	1,168,789	1,064,679	1,472,629	1,479,373	1,057,935
Treasurer's Ambulance	-	82	82	-	20	20	-
Treasurer's Special Road Districts	453,013	370,046	294,643	528,416	921,849	799,509	650,756
Treasurer's Surplus Tax	324	-	190	134	-	-	134
Treasurer's CERF	-	110,259	110,259	-	107,699	107,699	-
Treasurer's Cities	-	548	548	-	77	77	-
Treasurer's Fire	-	55	55	-	16	16	-
Treasurer's Interest	-	33,237	33,237	-	98,754	98,754	-
Treasurer's Cemeteries	684,946	18,086	17,751	685,281	5,738	5,585	685,434
Treasurer's Schools	156,314	420,585	516,263	60,636	320,844	335,640	45,840
Collector's Main Account	6,736,587	12,707,006	10,709,194	8,734,399	10,406,933	10,930,031	8,211,301
Collector's Protest Accounts	16,845	21	-	16,866	58	-	16,924
Recorder of Deeds	4,584	50,415	51,912	3,087	46,680	45,298	4,469
Sheriff's Commissary Account	12,633	7,689	10,245	10,077	22,799	19,576	13,300
Sheriff's Department Account	2,886	72,196	72,624	2,458	59,415	60,431	1,442
Sheriff's K-9 Account	-	2,486	2,100	386	2,256	1,207	1,435
Sheriff's Investigation Account	-	-	-	-	1,505	205	1,300
Public Administrator Accounts	53,239	254,930	258,713	49,456	111,710	128,346	32,820
Total	<u>9,553,204</u>	<u>14,849,276</u>	<u>13,246,605</u>	<u>11,155,875</u>	<u>13,578,982</u>	<u>14,011,767</u>	<u>10,723,090</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

HOLT COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Holt County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are nine elected Constitutional Officers: Assessor, Circuit Clerk/Recorder, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Sheriff, and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Holt County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the Local C.A.R.T. fund in 2021.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022 and 2021, for purposes of taxation were:

	2022	2021
Real Estate	\$ 76,173,069	\$ 71,324,549
Personal Property	41,525,018	37,265,556
Railroad and Utilities	52,643,026	48,524,363
Total	<u>\$ 170,341,113</u>	<u>\$ 157,114,468</u>

For calendar years 2022 and 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022	2021
General Revenue	0.4034	0.4034
Road & Bridge	0.4084	0.4084
Johnson Grass	0.0369	0.0369
Senior Citizen Services	0.0463	0.0463

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.



## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 4,338,656	\$ 4,429,334	\$ 250,000
Investments	30,932	30,932	30,932
Total Government Funds	<u>\$ 4,369,588</u>	<u>\$ 4,460,266</u>	<u>\$ 280,932</u>
Cash and Cash Equivalents - Fiduciary Funds	\$ 9,972,557	\$ 9,450,464	\$ 249,772
Investments	750,533	750,533	274,063
Total Fiduciary Funds	<u>\$ 10,723,090</u>	<u>\$ 10,200,997</u>	<u>\$ 523,835</u>

At December 31, 2021, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 4,168,795	\$ 4,296,774	\$ 250,000
Investments	30,703	30,703	30,703
Total Government Funds	<u>\$ 4,199,498</u>	<u>\$ 4,327,477</u>	<u>\$ 280,703</u>
Cash and Cash Equivalents - Fiduciary Funds	\$ 10,390,456	\$ 8,939,957	\$ 280,729
Investments - Fiduciary Funds	765,419	765,419	274,063
Total Fiduciary Funds	<u>\$ 11,155,875</u>	<u>\$ 9,705,376</u>	<u>\$ 554,792</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 and 2021 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

## 3. COUNTY EMPLOYEES' RETIREMENT PLANS

### A. Missouri Local Government Employees Retirement System (LAGERS)

#### 1) Plan Description

Holt County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

## 2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

## 3) Funding Policy

Full-time employees of Holt County contribute 4% to the pension plan. The January 1st statutorily required contribution rates were 0.7% and 1.3% (General), and 0.5% and 0.5% (Police) of annual covered payroll for 2022 and 2021 respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the years ended December 31, 2022 and 2021, full time employees of the County contributed \$51,130 and \$49,097. For the years ended December 31, 2022 and 2021, the County contributed \$8,470 and \$14,263 to LAGERS.

## B. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. The County has elected not to make contributions on behalf of employees. During 2022 and 2021, the County collected and remitted to CERF employee withholdings of \$107,699 and \$110,259, respectively, for the years then ended.

### C. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$3,927 and \$8,352, respectively, for the years ended December 31, 2022 and 2021.

### D. Other Retirement Plan

Holt County has a voluntary 457(b) plan which is paid by a deduction from employee's salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the years ended December 31, 2022 and 2021 were \$19,355 and \$17,450, respectively.

## 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

## 5. CLAIMS, COMMITMENT AND CONTINGENCIES

### A. Compensated Absences

The County provides full-time and part-time employees who receive benefits with four hours of sick leave on the first day of each month, up to a maximum of 30 days. Twenty-four hours of sick leave is accrued on January 1 of each year. Upon termination, employees will not be compensated for any unused sick time.

Vacation time is made available in whole on the employee's anniversary date. Vacation time is five days for employees with one year of service; ten days for employees with two to 19 years of service; 15 days for employees with 20 or more years of service. Employees are allowed to carry over a maximum of 15 days of vacation into a new employment year. Upon termination, employees are compensated for any unused vacation time.

Three days of personal time is provided for full-time employees. Personal time not used within the anniversary year is lost at year end. Upon termination, employees will not be compensated for unused personal time.

Full-time employees earn overtime or compensatory time credits based on department assignment. Overtime and Compensatory Time credits are earned at 1.5 times the regular hourly rate of the employee for work hours accumulated over 40 hours in a work week and 80 hours in a two-week pay period. Upon termination, employees are compensated for any compensatory time credits.

### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

### C. Litigation

The County was involved in pending litigation as of the audit report date. The County's management and legal counsel anticipate that potential claims, if any, against the County resulting from such litigation would not have a material effect on the financial position of the County.

## 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Rural Services Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this fund, a non-profit

corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$1,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2022:

- A. In April 2016, the County entered into a \$170,264, seven-year capital lease for a 2016 John Deere 770GXT Motor Grader for the Road and Bridge department. The lease calls for annual payments of \$27,637 through May 2023. The payments include interest of 3.25%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 26,755	\$ 883	\$ 27,638
Totals	<u>\$ 26,755</u>	<u>\$ 883</u>	<u>\$ 27,638</u>

- B. In September 2019, the County entered into a \$34,000, three-year capital lease for a 2020 Ford Explorer. The lease calls for annual payments of \$11,942 through March 2022. The payments include interest of 3.58%. The final payment was made in February 2022.

- C. In October 2019, the County entered into a \$31,895, three-year capital lease for a 2019 Dodge Durango. The lease calls for annual payments of \$11,157 through March 2022. The payments include interest of 3.63%. The final payment was made in February 2022.

- D. In June 2020, the County entered into a \$49,831, four-year capital lease for a 2020 Bobcat Mini Excavator. The lease calls for annual payments of \$13,748 through June 2024. The payments include interest of 4.06%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 12,696	\$ 1,052	\$ 13,748
2024	13,211	537	13,748
Totals	<u>\$ 25,907</u>	<u>\$ 1,589</u>	<u>\$ 27,496</u>

- E. In September 2020, the County entered into a \$208,535, seven-year capital lease for a 2020 Caterpillar Motor Grader. The lease calls for annual payments of \$33,459 through September 2027. The payments include interest of 2.99%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 28,876	\$ 4,583	\$ 33,459
2024	29,739	3,720	33,459
2025	30,628	2,831	33,459
2026	31,544	1,915	33,459
2027	31,517	971	32,488
Totals	<u>\$ 152,304</u>	<u>\$ 14,020</u>	<u>\$ 166,324</u>

- F. In February 2022, the County entered into a \$195,000 five-year capital lease for a 2021 Komatsu Excavator. The lease calls for annual payments of 41,961 through February 2027. The payments include interest of 2.49%

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 37,106	\$ 4,855	\$ 41,961
2024	38,029	3,932	41,961
2025	38,976	2,985	41,961
2026	39,947	2,014	41,961
2027	40,942	1,019	41,961
Totals	<u>\$ 195,000</u>	<u>\$ 14,805</u>	<u>\$ 209,805</u>

- G. In May 2022, the County entered into a \$108,855 four-year capital lease for three Ford F-150 Pickup Trucks. The lease calls for annual payments of \$28,461 through May 2025. The payments include interest of 2.99%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 25,960	\$ 2,501	\$ 28,461
2024	26,721	1,740	28,461
2025	27,662	799	28,461
Totals	<u>\$ 80,343</u>	<u>\$ 5,040</u>	<u>\$ 85,383</u>

- H. In February 2022, the County entered into a \$67,732 six-year capital lease for a Caterpillar Compact Track Loader. The lease calls for annual payments of \$15,261 through March 2027 and \$1 in 2028. The payments include interest of 3.90%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 12,619	\$ 2,642	\$ 15,261
2024	13,112	2,149	15,261
2025	13,623	1,638	15,261
2026	14,154	1,107	15,261
2027	14,224	1,037	15,261
Totals	<u>\$ 67,732</u>	<u>\$ 8,573</u>	<u>\$ 76,305</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
2016 John Deere Grader 770G	\$ 52,655	\$ -	\$ (25,900)	\$ 26,755	\$ 1,737
2020 Ford Explorer	11,524	-	(11,524)	-	418
2019 Dodge Durango	10,766	-	(10,766)	-	391
2020 Bobcat Mini Excavator	38,107	-	(12,200)	25,907	1,548
2020 Caterpillar Motor Grader	181,312	-	(28,037)	153,275	5,421
2021 Komatsu Excavator	-	195,000	-	195,000	
2022 Ford F-150 Trucks	-	108,855	(25,206)	83,649	3,255
2022 Caterpillar Compact Track Loader	-	67,732	-	67,732	

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

Description	Balance 12/31/2020	Additions	Payments	Balance 12/31/2021	Interest Paid
2016 John Deere Grader 770G	\$ 77,728	\$ -	\$ (25,073)	\$ 52,655	\$ 2,564
2020 Ford Explorer	22,645	-	(11,121)	11,524	822
2019 Dodge Durango	21,155	-	(10,389)	10,766	768
2020 Bobcat Mini Excavator	49,831	-	(11,724)	38,107	2,025
2020 Caterpillar Motor Grader	208,535	-	(27,223)	181,312	6,235

## 8. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 23, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**



## McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Commission and  
Officeholders of Holt County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Holt County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Holt County, Missouri's basic financial statements and have issued our report thereon dated August 23, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Holt County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Holt County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Holt County, Missouri's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a

certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001, that we consider to be a material weakness.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Holt County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Holt County, Missouri's Response to Findings**

Holt County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Holt County, Missouri's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 23, 2023

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Holt County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Holt County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Holt County, Missouri's major federal programs for the years ended December 31, 2021 and 2022. Holt County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Holt County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2021 and 2022.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Holt County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Holt County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Holt County, Missouri's federal programs.

## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Holt County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Holt County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Holt County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Holt County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Holt County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies over compliance and therefore, material weaknesses or significant deficiencies in internal

control over compliance may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001, that we consider to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Holt County, Missouri's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Holt County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 23, 2023

HOLT COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures Year Ended December 31,	
			2021	2022
	U. S. DEPARTMENT OF AGRICULTURE			
10.557	Passed through Missouri Department of Health and Senior Services - Special Supplemental Nutrition Program for Women, Infants, and Children	ERS04520077	\$ 7,392	\$ -
	Total 10.557	ERS04522105	-	7,191
			\$ 7,392	\$ 7,191
10.923	Direct Program - Emergency Watershed Protection	N2919EWP0010014	\$ 246,487	\$ -
	Department of Housing and Urban Development			
14.228	Direct Program - Community Development Block Grants	N/A	\$ 31,843	\$ -
	U. S. DEPARTMENT OF JUSTICE			
16.607	Direct Program - Patrick Leahy Bulletproof Vest Partnership	N/A	\$ 2,743	-
16.738	Passed through Missouri Department of Public Safety - Edward Byrne Memorial Justice Assistance Grant Program	N/A	\$ -	\$ 7,360
	U. S. DEPARTMENT OF TRANSPORTATION			
20.205	Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO-B044(35)	844,113	-
	Total 20.205 / Highway Planning and Construction Cluster	BRO-B044(36-38)	-	2,000
			\$ 844,113	\$ 2,000
	U.S. DEPARTMENT OF THE TREASURY			
21.019	Passed through Missouri State Treasurer - COVID-19 - Coronavirus Relief Fund	N/A	\$ 1,805	\$ -
21.027	Direct Program - COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	N/A	\$ -	\$ 388,274
	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
93.069	Passed through Missouri Department of Health and Senior Services - Public Health Emergency Preparedness	DH1800040521	\$ 5,472	\$ -
	Total 93.069	DH210048512	-	3,224
			\$ 5,472	\$ 3,224
93.767	Local Public Health Services	AOC19380006	\$ 5,191	\$ -
	Total 93.767	DH220050467	-	5,128
			\$ 5,191	\$ 5,128
93.994	Maternal and Child Health Services Block Grant	DH190011039	\$ 4,120	\$ -
	Total 93.994	DH220051086	-	3,177
			\$ 4,120	\$ 3,177
	U.S. DEPARTMENT OF HOMELAND SECURITY			
97.036	Passed through Missouri Department of Public Safety - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	DR-4435	191,015	25,940
		DR-4451	223,877	138,189
		DR-4612	13,090	144,797
	Total 97.036		\$ 427,982	\$ 308,926
	Total Expenditures of Federal Awards		\$ 1,577,148	\$ 725,280

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**HOLT COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Holt County, Missouri for the years ended December 31, 2021 and 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUBRECIPIENTS**

The County did not pass any federal awards through to subrecipients during the years ended December 31, 2022 and 2021.

HOLT COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?   X   Yes    No
- Significant deficiencies identified that are not considered to be material weaknesses?    Yes   X   None Reported
- Noncompliance material to financial statements noted?    Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?   X   Yes    No
- Significant deficiencies identified that are not considered to be material weaknesses?    Yes   X   None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?   X   Yes    No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction (Cluster)

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:    Yes   X   No



## **SECTION II – FINANCIAL STATEMENTS FINDINGS**

### **MATERIAL WEAKNESSES IN INTERNAL CONTROL**

See Finding 2022-001 below.

### **SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

None

### **ITEMS OF NONCOMPLIANCE**

None

## **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

### **2022-001: Internal Control Over Schedule of Expenditures of Federal Awards**

Federal Grantor: U.S. Department of Agriculture, U.S. Department of Housing and Urban Development, U.S. Department of Justice, U.S. Department of Transportation, U.S. Department of the Treasury, Election Assistance Commission, U.S. Department of Health and Human Services, and U.S. Department of Homeland Security

Pass-Through Grantor: Missouri Department of Health and Senior Services, Missouri Department of Transportation, Missouri Department of Public Safety, and Missouri State Treasurer

Federal ALN Number: 10.557, 10.923, 14.228, 16.607, 16.738, 20.205, 21.019, 21.027, 93.069, 93.767, 93.994 and 97.036

Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children; Emergency Watershed Protection Program; Community Development Block Grants; Patrick Leahy Bulletproof Vest Partnership; Edward Byrne Memorial Justice Assistance Grant Program; Highway Planning and Construction; Coronavirus Relief Fund; Coronavirus State and Local Fiscal Recovery Funds; Public Health Emergency Preparedness; Local Public Health Services; Maternal and Child Health Services Block Grant; Disaster Grants – Public Assistance (Presidentially Declared Disasters)

Pass-through Entity Identifying Number: ERS04520077, ERS04522105, N2919WEP0010014, BRO-B044(35), BRO-B044(36-38), DH1800040521, DH210048512, DH220050467, AOC19380006, DH220051086, DH190011039, DR-4435, DR-4451, DR-4612

Award Year: 2021 and 2022

Questioned Costs: None

Criteria: 2 CFR 200.510(b) requires auditees to prepare a schedule of expenditures of federal awards which must report total federal awards expended during the audit period. At a minimum, the schedule must include: expenditures by individual federal program, name of the pass-through entity and identifying number for awards not received directly from the federal government, and the total amount provided to subrecipients from each federal program. The County has not implemented proper internal controls to ensure the completeness and accuracy of the SEFA.

This finding was noted in the prior audit for the years ended December 31, 2020 and 2019 as item 2020-001.

Condition: The schedules of expenditures of federal awards (SEFA) reported by the County in the 2021 and 2022 annual budget documents contained errors in amounts of federal expenditures reported. Discrepancies in amounts reported on the 2022 SEFA and amount supported by underlying accounting records are summarized as follows:

<b>Federal Agency</b>	<b>ALN</b>	<b>Program</b>	<b>Original SEFA</b>	<b>Supported</b>	<b>Difference</b>
USDA	10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	7,138	7,191	(53)
DOJ	16.738	Local Law Enforcement Block Grant	-	7,360	(7,360)
DOT	20.205	Highway Planning and Construction	27,941	2,000	25,941
Treasury	21.027	Coronavirus State and Local Fiscal Recovery	-	388,274	(388,274)
DHS	97.036	Disaster Grants - Public Assistance Grants	-	308,926	(308,926)
DHS	97.042	Emergency Management Performance Grants	388,277	-	388,277

Discrepancies in amounts reported on the 2021 SEFA and amount supported by underlying accounting records are summarized as follows:

<b>Federal Agency</b>	<b>ALN</b>	<b>Program</b>	<b>Original SEFA</b>	<b>Supported</b>	<b>Difference</b>
DOD	12.112	Payments to States in Lieu of Real Estate Taxes	21,274	-	\$ 21,274
DOJ	16.607	Patrick Leahy Bulletproof Vest Partnership	-	2,743	(2,743)
DOT	20.205	Highway Planning and Construction	802,635	844,113	(41,478)
Treasury	21.019	Coronavirus Relief Fund	-	1,805	(1,805)
EAC	90.404	Help America Vote Act	11,208	-	11,208
DHS	97.042	Emergency Management Performance Grants	5,514	-	5,514

Cause: The County has not implemented a proper system of internal control over SEFA preparation, such as a reconciliation to underlying accounting records or having a separate individual review the SEFA for clerical accuracy after it has been prepared. Reasons for discrepancies in individual programs varied.

Effect: The SEFA presented for audit did not accurately reflect the County's actual expenditures of federal awards for both the years ended December 31, 2022 and 2021.

Recommendation: We recommend that the County implement internal controls to ensure that the SEFA completely and accurately states the expenditures of federal awards of the County each year.

County's Response: Beginning in 2023, the Holt County Clerk has implemented a process to obtain award letters from grant writers and documenting the funding details. The Holt County Clerk is looking into software which is able to track projects year over year to make reporting more manageable.

Auditor's Evaluation: The response is appropriate to correct the concern.

**MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:**

- **Summary Schedule of Prior Audit Findings**
  - **Corrective Action Plan**

# County Commission of Holt County

## *Office of the County Clerk*

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Tom Bullock Presiding Commissioner	102 W. Nodaway P.O. Box 437 Oregon, Missouri 64473 Phone: (660)446-3303 Fax: (660)446-3353	Alice Derr County Clerk
Richard Meyer First District Commissioner		Glenda Atkins Deputy Clerk
David Carroll Second District Commissioner		Carol Buckles Deputy Clerk

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### HOLT COUNTY, MISSOURI SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Holt County, Missouri on the applicable findings in the prior audit report issued for the two years ended December 31, 2020 and 2019.

**2020-001:** Management has not implemented internal controls related to the preparation of the Schedule of Expenditures of Federal Awards (SEFA). The SEFA contained errors.

Status: Not Resolved, see finding 2022-001.

# County Commission of Holt County

## *Office of the County Clerk*

---

Tom Bullock Presiding Commissioner	102 W. Nodaway P.O. Box 437 Oregon, Missouri 64473	Alice Derr County Clerk
Richard Meyer First District Commissioner	Phone: (660)446-3303 Fax: (660)446-3353	Glenda Atkins Deputy Clerk
David Carroll Second District Commissioner		Carol Buckles Deputy Clerk

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### HOLT COUNTY, MISSOURI CORRECTIVE ACTION PLAN

**Finding Reference Number:** 2022-001

**Federal Agency:** N/A

**Program Name:** N/A

**CFDA Number:** N/A

**Responsible Official:** Alice Derr, County Clerk

**Views of Responsible Individuals:**

Beginning in 2023, the Holt County Clerk has implemented a process to obtain award letters from grant writers and documenting the funding details. The Holt County Clerk is looking into software which is able to track projects year over year to make reporting more manageable.

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Kansas City, Missouri 64116  
T: (816) 221.4559  
F: (816) 221.4563  
E: [Admin@McBrideLock.com](mailto:Admin@McBrideLock.com)

## McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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August 23, 2023

To the County Commission and Officeholders  
Holt County, Missouri

We have audited the accompanying financial statements of Holt County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 5, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Holt County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Holt County, Missouri during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 23, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Holt County, Missouri's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Holt County, Missouri's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Credit Card Late Fees and Interest**

During our audit, we noted that the County Clerk's credit card statement noted an instance in which late fees of \$39 and interest of \$55 were incurred. We recommend that the County Clerk implement procedures to properly monitor and ensure timely payment of credit card statements to avoid incurring unnecessary finance and interest charges.

### **Other Matters**

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompanies the financial statements but is not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally



accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Holt County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



# Scott Fitzpatrick

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## Missouri State Auditor

### Chariton County

Report No. 2023-075

October 2023

[auditor.mo.gov](https://auditor.mo.gov)



# CITIZENS SUMMARY

## Findings in the audit of Chariton County

General Revenue Fund Cash Reserves and Budgets	The County Commission has passed inaccurate budgets that do not reasonably reflect the anticipated disbursement activity from the General Revenue (GR) Fund, resulting in a fund balance equal to 4.6 years of funding based on current levels of operating disbursements, and has chosen to not lower the GR property tax rate despite the significant fund balance and without documented, long-term plans for the use of this money. Because the GR Fund budgets are not accurate, they reduce the effectiveness of the budget as a tool for monitoring or controlling disbursements and for determining the needed GR property tax rate.
Sheriff's Compensation	The County Commission authorized mid-term salary increases totaling \$12,767 to the Sheriff in violation of constitutional provisions.
Sheriff's Controls and Procedures	The Sheriff did not always deposit timely and does not prepare bank reconciliations and monthly lists of liabilities for the inmate account and the fee account.
Prosecuting Attorney's Administrative Fees	The Prosecuting Attorney's office does not assess or collect the statutorily-required fees from defendants who owe court-ordered restitution.
Fuel Controls and Procedures	The Road and Bridge department does not maintain mileage and fuel logs for either of its fuel tanks. Neither the County Clerk nor the Sheriff reconcile fuel used to fuel purchased for the Sheriff's fuel tank.
Additional Comments	Because counties are managed by several separately-elected individuals, an audit finding made with respect to one office does not necessarily apply to the operations in another office. The overall rating assigned to the county is intended to reflect the performance of the county as a whole. It does not indicate the performance of any one elected official or county office.

In the areas audited, the overall performance of this entity was **Good**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Chariton County

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## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

County Commission  
and  
Officeholders of Chariton County

We have audited certain operations of Chariton County in fulfillment of our duties under Section 29.230, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2022. The objectives of our audit were to:

1. Evaluate the county's internal controls over significant management and financial functions.
2. Evaluate the county's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the county, as well as certain external parties; and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the county's management and was not subjected to the procedures applied in our audit of the county.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of Chariton County.

A handwritten signature in black ink, reading "S. Fitzpatrick". The signature is stylized, with a large "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

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# Chariton County

## Management Advisory Report

### State Auditor's Findings

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#### **1. General Revenue Fund Cash Reserves and Budgets**

The County Commission has accumulated a significant cash reserve in the General Revenue (GR) Fund and budgets for the GR Fund need improvement.

##### **1.1 Cash reserves**

The County Commission has accumulated a significant cash reserve in the GR Fund without documented plans for its use. The GR Fund cash balance as of December 31, 2022, totaled \$7,959,526. Based on previous spending patterns, this represents approximately 4.6 years of funding for the operating disbursements of the GR Fund. The County Commission indicated it plans to use the accumulated cash balance for courthouse improvements including a new heating and cooling system and foundation repairs and various bridge projects. The County Commission also indicated it had not considered the need to create a documented plan for the use of the GR Fund cash reserve.

Despite the significant accumulated cash balance, the County Commission continues to assess a GR property tax rate that results in over \$600,000 in property tax collections each year. The County Commission indicated it is hesitant to significantly increase the voluntary reduction to the GR property tax rate because it will reduce the following years' tax rate ceiling and may prohibit the county from collecting sufficient property tax revenues in the future.

Accumulating an excessive cash balance without documented, long-term plans for use of this money puts an unnecessary burden on taxpayers. The County Commission should determine its future needs, and consider reducing future tax levies if a specific use for the cash reserves is not determined.

##### **1.2 Budgets**

The GR Fund budgets do not reasonably reflect the anticipated disbursement activity, reducing the effectiveness of the budget as a tool for monitoring or controlling disbursements and for determining the needed GR property tax rate. As noted in the following table, the County Commission significantly overestimated disbursements for the GR Fund for the 2020, 2021, and 2022 budgets.

		Year Ended December 31,		
		2022	2021	2020
Budgeted disbursements	\$	3,174,324	3,133,076	2,981,186
Actual disbursements		1,725,813	1,429,719	1,777,216
Budgeted disbursements over actual disbursements	\$	1,448,511	1,703,357	1,203,970



## Chariton County Management Advisory Report - State Auditor's Findings

Budgeted disbursements exceeded actual disbursements by over \$1.4 million for the year ended December 31, 2022. Examples of disbursement categories that were budgeted significantly higher than actual disbursements include the following:

	Transfers Out	Building & Grounds	Public Safety
Budgeted	\$ 883,922	599,546	560,016
Actual	352,659	119,257	410,013
Difference	\$ 531,263	480,289	150,003

The County Commission indicated it prefers to use a conservative approach and ensure budgeted appropriations are sufficient to cover known needs for the year, as well as sufficient additional appropriations for emergencies. The County Commission also indicated some planned purchases have been delayed due to the pandemic and the state of the national economy including supply-chain shortages.

Realistic projections of the county's uses of funds are essential for the efficient management of finances and for communicating accurate financial data to county residents. Significantly overestimating anticipated disbursements is misleading to the public and prevents an accurate estimate of the county's financial condition.

## Recommendations

The County Commission:

- 1.1 Evaluate funding needs and consider reducing the property tax levy. Plans made for expending the accumulated cash balance should be set forth publicly in the budget document.
- 1.2 Ensure budgets provide reasonable estimates of anticipated disbursements.

## Auditee's Response

- 1.1 *The Chariton County Commission agrees our cash reserve has accumulated to a significant amount. Since members of the current County Commission have been in office, the property tax rate has been reduced every year, totaling a 37.5 percent rate reduction. The County Commission will continue to monitor the county's finances to determine if rates should continue to be reduced in the future.*

*Over the last 3 years, the influx of funding from the federal government due to the COVID-19 pandemic has greatly increased our revenues. At the end of 2022, the county had a surplus in all funds of \$692,789. Without the \$722,000 received from the federal government in 2022 as part of the American Rescue Plan Act, the county would have run a small deficit. We do not anticipate any additional funding from the federal government due to the COVID-*





## Chariton County Management Advisory Report - State Auditor's Findings

*19 pandemic. Therefore, if regular revenue and expenditure trends continue, the county will not experience a large yearly surplus like we have experienced over the last decade.*

*In addition, the Chariton County courthouse will be 50 years old in 2024 and is in need of numerous capital improvements. These include foundation repair, additional insulation, ceiling grid and lighting replacement, and more. All of these expenditures are necessary to improve the safety and energy efficiency of the courthouse building and grounds. A recent proposal by an outside firm estimated the cost of these improvements at \$4.2 to \$4.9 million. Due to our cash reserve, we will be able to fund these capital improvements over the next several years without having to borrow any money. While our cash reserve in the GR Fund is significant at this time, it will be greatly reduced as capital improvements are completed.*

*Considering the discontinuation of pandemic related federal funding and the planned capital improvements listed above, it would be unwise to drastically reduce our property tax rate. The County Commission will continue to responsibly reduce the rate as necessary in the future. We will also work to spend down the reserve in a fiscally responsible manner. Going forward, the County Commission will include more detailed information regarding expected capital improvements in the budget document.*

- 1.2 The County Commission will work to estimate anticipated disbursements more accurately in our yearly budget.*

## 2. Sheriff's Compensation

The County Commission authorized mid-term salary increases totaling \$12,767 to the Sheriff in violation of constitutional provisions. The Sheriff took office in 2021 at the salary level approved by the Chariton County Salary Commission.

Section 57.317.1(2), RSMo, enacted in 2021, states the sheriff shall receive an annual salary computed based on a percentage of the compensation of an associate circuit judge of the county, with the percentage determined by a statutory schedule using the county's current assessed valuation level. The law indicates if the increase to the Sheriff's salary is less than \$10,000, the increase shall take effect January 1, 2022, but if the salary increase is more than \$10,000, the increase shall be paid equally over a 5-year period. However, Article VII, Section 13 of the Missouri Constitution prohibits an increase in compensation for state, county, and municipal officers during the term of office. Court cases have concluded that to receive additional compensation during a term of office there must be new or additional duties or the mid-term increase must result from the application of a statutory formula for calculating compensation that was in place prior to the individual



## Chariton County Management Advisory Report - State Auditor's Findings

being elected or taking office. Without either of these provisions, the increase to the Sheriff's salary should be effective only for any Sheriff elected and sworn into office after January 1, 2022.

The County Commission did not seek a written legal opinion on these matters and authorized an immediate salary increase for the Sheriff. The total increase was calculated at \$26,747, to be paid over a 5-year period, with an annual increase of \$5,349. The Commission also authorized salary increases for the Sheriff based on salary increases given to associate circuit judges during 2022 and 2023. As of July 2023, the Sheriff received salary increases totaling \$12,767 during his term.

The County Commission indicated it was aware of constitutional provisions preventing mid-term salary increases, but felt the county was required to increase the Sheriff's salary due to the change in state law.

### Recommendation

The County Commission discontinue the mid-term salary increase and consider various methods for possible recoupment of money already paid.

### Auditee's Response

*The changes to Section 57.317, RSMo, were passed by the Missouri General Assembly in 2021 and signed by the Governor. The County Commissioners Association of Missouri filed suit against the State of Missouri arguing the constitutionality of the legislation. Judge Daniel Green ruled against the County Commissioners Association of Missouri on February 22, 2022, which kept the legislation in place. Due to the ruling, the Chariton County Commissioners decided to enact the raise as instructed in the legislation.*

*The Missouri General Assembly specifically put in wording to state "the increase shall take effect January 1, 2022." This is yet another example of the Missouri General Assembly passing contradictory legislation with no regard to the impact it will have on local government entities. The Missouri General Assembly is more interested in scoring political points than passing well thought out and researched legislation. By tying the Sheriff's compensation to that of an Associate Circuit Judge, they are placing a continually increasing unfunded mandate upon the counties of Missouri. While members of the Missouri General Assembly complain about mandates handed down on them by the federal government, they do the exact same thing to our local government entities.*

*In addition, attorneys in the Missouri State Auditor's Office only recently came to a decision that counties should not have given raises to the Sheriff. This decision was two years too late for Missouri counties. It was blatantly clear the legislation would cause confusion and turmoil at the county level and leave the county in a no-win situation. Guidance should be provided to counties from the state level when contradictory legislation is passed by the Missouri General Assembly.*



## Chariton County Management Advisory Report - State Auditor's Findings

*Finally, the County Commission could have chosen not to enact the raises as stated in the legislation; however, that would also risk a potential lawsuit with the Sheriff, as has now happened in other Missouri counties. In that situation, the Chariton County taxpayer would be left on the hook to pay attorney fees for both sides. The County Commission did not view this as a viable alternative or a wise use of taxpayer money.*

*The County Commission will continue to implement the salary increases as instructed in legislation passed by the Missouri General Assembly and signed by the Governor of Missouri.*

### Auditor's Comment

As stated in the finding, Missouri's Constitution prohibits mid-term raises as set out in Article VII, Section 13. Because the Sheriff took office before the effective date of the changes to Section 57.317, RSMo, the Chariton County Commission should not have implemented the changes to Section 57.317, RSMo, until the Sheriff's next term of office.

The County Commission's response states "guidance should be provided to counties from the state level when contradictory legislation is passed by the Missouri General Assembly." The State Auditor's Office (SAO) would not be independent from the county if it provided guidance of this type and this would result in the SAO being unable to perform audits of counties in compliance with Government Auditing Standards. Had the County Commission sought guidance from the SAO on this issue, the SAO would have advised the county to seek legal advice regarding the implementation of this statutory revision in relation to the overriding Constitutional provision.

### 3. Sheriff's Controls and Procedures

Controls and procedures in the Sheriff's office need improvement. The office collected receipts for civil process fees, bonds, conceal carry weapon (CCW) permits, sex offender registrations, and other miscellaneous receipts totaling approximately \$86,000 during the year ending December 31, 2022.

#### 3.1 Receipting and depositing

The Sheriff did not always deposit timely. During 11 months of 2022, the average deposit totaled approximately \$3,300. For 3 of these months only 1 deposit was made and 2 deposits were made in the other 8 months. In addition, the Sheriff did not restrictively endorse checks and money orders until the deposit was prepared. The Sheriff indicated he believed his depositing frequency was sufficient and he was not aware he needed to endorse checks and money orders as they were received.

Failure to implement adequate receipting and depositing procedures increases the risk that loss, theft, and misuse of money received will occur and go undetected.

#### 3.2 Bank reconciliations and liabilities

The Sheriff does not prepare bank reconciliations and monthly lists of liabilities for the inmate account and the fee account. The Sheriff indicated



## Chariton County Management Advisory Report - State Auditor's Findings

he did not know how to perform bank reconciliations or how to prepare monthly lists of liabilities.

We prepared a bank reconciliation for the inmate account as of December 31, 2022, and determined the reconciled bank balance was \$6,757. The check register balance totaled \$6,723, resulting in an overage of \$34. The Sheriff was not able to provide reports from the commissary system that would allow us to identify recorded liabilities to compare them to the reconciled bank balance.

For the fee account, we prepared a bank reconciliation as of December 31, 2022, and determined the reconciled bank balance agreed to the check register balance of \$4,444. We were able to identify liabilities, totaling \$4,321, that consisted of fees collected in December. As a result, unidentified money totaled \$123.

Performing monthly bank reconciliations and preparing monthly lists of liabilities helps ensure receipts and disbursements have been properly handled and recorded, and increases the likelihood errors will be identified and corrected timely. Regular identification and comparison of liabilities to the reconciled bank balance is necessary to ensure accounting records are in balance, all amounts received are disbursed, and money is available to satisfy all liabilities. Differences should be adequately investigated and resolved. Various statutory provisions provide for the disposition of unidentified money.

### Similar conditions previously reported

Similar conditions to sections 3.1 and 3.2 were noted in our prior audit report of the county, *Chariton County*, Report No. 2016-119, issued in November 2016. In addition, a similar condition to section 3.1 was noted in our prior audit report of the Sheriff's office, *Chariton County Sheriff*, Report No. 2017-130, issued in November 2017.

### Recommendations

The Sheriff:

- 3.1 Ensure deposits are made timely and checks and money orders are restrictively endorsed at the time of receipt.
- 3.2 Ensure monthly bank reconciliations and lists of liabilities are prepared and reconciled timely. Any differences between accounting records and reconciliations should be promptly investigated and resolved, and any unidentified money should be disposed of in accordance with state law.

### Auditee's Response

*I agree with the findings and immediately began restrictively endorsing checks when the auditors brought the problem to my attention in March. In addition, I started the process of implementing the other recommendations in*



Chariton County  
Management Advisory Report - State Auditor's Findings

*June. All recommendations have now been implemented except I am still working to resolve the differences in the bank accounts. I plan to turn over any unidentified differences to the Missouri State Treasurer's Office as unclaimed property in the near future.*

#### **4. Prosecuting Attorney's Administrative Fees**

The Prosecuting Attorney's office does not assess or collect the statutorily-required fees from defendants who owe court-ordered restitution. The office collected approximately \$25,500 in court-ordered restitution and bad checks restitution and fees during the year ended December 31, 2022.

The statutorily-required administrative handling cost fee was not assessed for any applicable court-ordered restitution cases handled during the year ended December 31, 2022. As of April 2023, the office was responsible for collecting approximately \$60,000 on 13 court-ordered restitution cases. The administrative handling cost fees that should have been assessed for these 13 cases totaled \$900. The Prosecuting Attorney indicated he was unaware this fee is required.

Section 559.100.3, RSMo, provides, ". . . each prosecuting attorney or circuit attorney who takes any action to collect restitution shall collect from the person paying restitution an administrative handling cost." This fee is \$25 for restitution of less than \$100 and \$50 for restitution of at least \$100 but less than \$250. For restitution of \$250 or more, there is an additional fee of 10 percent of the total restitution, with a maximum fee not to exceed \$75.

#### **Recommendation**

The Prosecuting Attorney assess and collect fees on all court-ordered restitution cases as required by state law.

#### **Auditee's Response**

*I agree with the finding and immediately implemented the recommendation when the auditors brought the problem to our attention in March.*

#### **5. Fuel Controls and Procedures**

Fuel controls and procedures need improvement. The county maintains 3 fuel tanks, with 2 tanks maintained at the Road and Bridge department and the other tank maintained behind the Sheriff's office. Approximately \$66,000 in fuel was purchased for use by the Road and Bridge department and the Sheriff's office during the year ended December 31, 2022.

The Road and Bridge department does not maintain mileage and fuel logs for either of its tanks. As a result, fuel use was not reconciled to fuel purchased. In addition, neither the County Clerk nor the Sheriff reconcile fuel used to fuel purchased for the Sheriff's tank. Deputies record fuel use on a fuel log maintained at the tank and on the logs maintained in each patrol vehicle. The Sheriff provides these logs to the County Clerk each month. The County Clerk stated that she and the County Commission have not considered it necessary to keep mileage and fuel logs at the Road and Bridge department or reconcile fuel used to fuel purchased because they are not aware of any



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Chariton County  
Management Advisory Report - State Auditor's Findings

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instances of missing fuel at either location. The County Clerk added that the County Commission reviews the fuel invoices each month to ensure the number of gallons purchased is reasonable.

Mileage and fuel logs are necessary to document the appropriate use of vehicles and equipment and to support fuel purchases. Without sufficient information, county officials cannot evaluate the propriety and reasonableness of fuel used or reconcile amounts used to fuel billings. Failure to account for fuel purchased and fuel used could result in loss, theft, or misuse going undetected.

## Recommendation

The County Commission require usage and fuel logs be maintained for all vehicles and equipment. In addition, ensure fuel logs are reconciled to fuel purchases. Any significant discrepancies should be investigated.

## Auditee's Response

*The County Commission has implemented the recommendations regarding fuel controls and procedures.*



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# Chariton County

## Organization and Statistical Information

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Chariton County is a township-organized, third-class county. The county seat is Keytesville.

Chariton County's government is composed of a three-member county commission and separate elected officials performing various tasks. All elected officials serve 4-year terms. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens. In addition to elected officials, the county employed 28 full-time employees and 5 part-time employees on December 31, 2022. The townships maintain county roads.

County operations also include a Senate Bill 40 Board and a Senior Citizens Services Board.

### Elected Officials

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below:

Officeholder	2023	2022
Evan Emmerich, Presiding Commissioner	\$	34,647
Jared Meyer, Associate Commissioner		32,507
Terry Milford, Associate Commissioner		32,507
Eric Stallo, Circuit Clerk and Ex Officio Recorder of Deeds (1)		
Susan Littleton, County Clerk		46,010
Cliff Thornburg, Prosecuting Attorney		56,710
Erick Billups, Sheriff		59,526
Nyle Bowyer, County Coroner		18,190
Regina Emmerich, Public Administrator		28,890
Darlene Shipp, County Collector-Treasurer, year ended March 31,	48,632	
Darrin E. Gladbach, County Assessor, year ended August 31,		47,100

(1) Compensation is paid by the state.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Henry County, Missouri

The Office of the State Auditor contracted for an audit of Henry County's financial statements for the 2 years ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive style with a large, stylized "S" and "F".

Scott Fitzpatrick  
State Auditor

October 2023  
Report No. 2023-074





**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the contracted audit of Henry County

2022-001

The county improve the documentation internal controls for each office other than the County Clerk. Additionally, the County should perform a risk assessment and document the results of such assessment. This assessment should be updated or reperformed at least annually.

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Use of State Fund to Pay Sales  
Tax

As an exempt entity which is not required to pay Missouri sales taxes, using public funds to pay for sales tax should be avoided.

ANNUAL FINANCIAL REPORT

**HENRY COUNTY, MISSOURI**

For the Years Ended  
December 31, 2022 and 2021

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

# HENRY COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

HENRY COUNTY, MISSOURI  
List of Elected Officials 2021-2022

*County Commission*

Presiding Commissioner – Jim Stone

Commissioner, North District – Rick Fosnow

Commissioner, South District – Dale Lawler

*Other Elected Officials*

Assessor – Scott Largent

Circuit Clerk – Patricia Doll

Collector/Treasurer – Ann Julian

County Clerk – Rick Watson

Coroner – Dain Sisk

Prosecuting Attorney – LaChrisha Gray

Public Administrator – Allen Huff

Recorder of Deeds – Gail Perryman

Sheriff – Kent Oberkrom

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Henry County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Henry County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Henry County, Missouri, as of December 31, 2022 and 2021, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Henry County, Missouri, as of December 31, 2022 and 2021, or the changes in financial position thereof for the years then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Henry County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Henry County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Henry County, Missouri's ability to continue as a going concern for a reasonable period of time.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Henry County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 30, 2023, on our consideration of Henry County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Henry County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed By McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 30, 2023

HENRY COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund	Cash and Investments	Receipts	Disbursements	Cash and Cash Investments	Receipts	Disbursements	Cash and Cash Investments
	January 1, 2021	2021	2021	December 31, 2021	2022	2022	December 31, 2022
General Revenue	\$ 3,028,752	\$ 4,772,161	\$ 3,570,753	\$ 4,230,160	\$ 5,015,663	\$ 2,970,284	\$ 6,275,539
Special Road & Bridge	1,222,393	1,783,885	2,281,791	724,487	1,696,511	1,124,610	1,296,388
Assessment	32,894	418,811	384,316	67,389	428,416	425,509	70,296
Law Enforcement Training	1,897	5,373	6,974	296	4,303	3,473	1,126
Prosecuting Attorney Training	6,883	4,810	992	10,701	5,246	5,117	10,830
Administrative Handling Cost	3,412	27,266	24,854	5,824	12,236	12,263	5,797
Victims of Domestic Violence	-	1,107	1,107	-	938	938	-
CARES	241,008	238	241,246	-	-	-	-
Inmate Security	3,605	296,979	263,321	37,263	293,340	262,358	68,245
Local Emergency Planning	20,037	2,478	1,655	20,860	6,291	6,810	20,341
Sheriff Civil	10,781	10,540	15,678	5,643	12,304	12,733	5,214
Henry County Law	594,368	2,762,269	2,606,784	749,853	2,934,878	3,055,381	629,350
Sheriff Revolving	10,291	15,785	17,000	9,076	3,910	9,285	3,701
Records Storage	72,979	17,958	27,097	63,840	16,576	6,235	74,181
Election Services	48,169	11,456	-	59,625	9,418	49,225	19,818
Senior Citizens' Service	197,815	179,268	108,105	268,978	185,317	180,570	273,725
Tax Maintenance	36,388	34,388	32,992	37,784	32,709	24,321	46,172
ARPA	-	2,122,599	31,448	2,091,151	2,161,539	1,939,120	2,313,570
Industrial Development Authority	-	-	-	-	8,806	21	8,785
Total	\$ 5,531,672	\$ 12,467,371	\$ 9,616,113	\$ 8,382,930	\$ 12,828,401	\$ 10,088,253	\$ 11,123,078

The accompanying Notes to the Financial Statements are an integral part of this statement.

HENRY COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND				
Year Ended December 31,				
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 210,000	\$ 168,640	\$ 3,500	\$ 62,663
Sales taxes	2,265,000	3,139,861	2,750,000	3,378,886
Intergovernmental	696,456	720,001	801,801	709,369
Charges for services	687,000	727,610	634,700	760,456
Interest	25,000	12,888	12,000	95,922
Other	6,000	3,161	82,062	8,367
Transfers in	-	-	-	-
Total Receipts	<u>\$ 3,889,456</u>	<u>\$ 4,772,161</u>	<u>\$ 4,284,063</u>	<u>\$ 5,015,663</u>
DISBURSEMENTS				
County Commission	\$ 131,175	\$ 129,940	\$ 39,063	\$ 138,376
County Clerk	113,934	109,444	122,067	114,904
Elections	127,000	59,633	168,500	94,249
Buildings and grounds	1,578,582	1,272,617	1,137,920	705,114
Employee fringe benefits	251,500	241,690	268,000	234,848
Treasurer	119,344	119,344	124,610	124,610
Collector	27,100	27,095	27,100	22,376
Recorder of Deeds	121,533	121,208	128,090	127,896
Circuit Clerk	25,500	23,554	26,000	21,141
Court administration	164,980	60,655	133,390	43,221
Public Administrator	52,500	38,581	53,500	31,200
Other County government	856,279	761,676	966,354	821,971
Health and welfare	4,000	4,000	6,000	-
Transfers out	-	-	-	-
Emergency Fund	130,000	-	135,000	-
Other	1,413,906	601,316	553,991	490,378
Total Disbursements	<u>\$ 5,117,333</u>	<u>\$ 3,570,753</u>	<u>\$ 3,889,585</u>	<u>\$ 2,970,284</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (1,227,877)	\$ 1,201,408	\$ 394,478	\$ 2,045,379
CASH AND INVESTMENTS, JANUARY 1	<u>3,028,752</u>	<u>3,028,752</u>	<u>4,230,160</u>	<u>4,230,160</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 1,800,875</u>	<u>\$ 4,230,160</u>	<u>\$ 4,624,638</u>	<u>\$ 6,275,539</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

HENRY COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD & BRIDGE FUND			ASSESSMENT FUND			
	Year Ended December 31,			Year Ended December 31,			
	2021		2022	2021		2022	
	Budget	Actual		Budget	Actual	Budget	Actual
<b>RECEIPTS</b>							
Property taxes	\$ 128,000	\$ 132,495	\$ 135,000	\$ 159,766	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	1,508,000	1,441,543	934,118	1,051,043	365,300	388,000	392,352
Charges for services	101,000	201,728	-	462,397	-	-	-
Interest	11,000	4,503	2,500	19,235	1,000	400	1,953
Other	5,000	3,616	173,000	4,070	34,403	19,000	34,111
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ 1,753,000	\$ 1,783,885	\$ 1,244,618	\$ 1,696,511	\$ 400,703	\$ 407,400	\$ 428,416
<b>DISBURSEMENTS</b>							
Salaries	\$ 300,000	\$ 261,337	\$ 280,000	\$ 248,045	\$ 257,906	\$ 266,700	\$ 233,604
Employee fringe benefits	84,360	68,711	80,900	73,232	58,720	69,000	54,099
Materials and supplies	105,925	91,692	124,325	98,411	13,000	25,000	16,142
Services and other	62,547	29,060	69,547	49,025	47,000	54,500	42,898
Capital outlay	517,500	707,165	417,500	48,813	35,000	56,562	78,766
Construction	1,411,151	1,123,826	696,151	607,084	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	\$ 2,481,483	\$ 2,281,791	\$ 1,668,423	\$ 1,124,610	\$ 411,626	\$ 471,762	\$ 425,509
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (728,483)	\$ (497,906)	\$ (423,805)	\$ 571,901	\$ (10,923)	\$ (64,362)	\$ 2,907
<b>CASH AND INVESTMENTS, JANUARY 1</b>	1,222,393	1,222,393	724,487	724,487	32,894	67,389	67,389
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 493,910	\$ 724,487	\$ 300,682	\$ 1,296,388	\$ 21,971	\$ 3,027	\$ 70,296

The accompanying Notes to the Financial Statements are an integral part of these statements.

HENRY COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT TRAINING FUND			PROSECUTING ATTORNEY TRAINING FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	7,000	5,373	5,000	4,303	2,500	4,810
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 7,000	\$ 5,373	\$ 5,000	\$ 4,303	\$ 2,500	\$ 4,810
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	7,000	6,974	5,000	3,473	9,075	992
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 7,000	\$ 6,974	\$ 5,000	\$ 3,473	\$ 9,075	\$ 992
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ -	\$ (1,601)	\$ -	\$ 830	\$ (6,575)	\$ 3,818
CASH AND INVESTMENTS, JANUARY 1	1,897	1,897	296	296	6,883	6,883
CASH AND INVESTMENTS, DECEMBER 31	\$ 1,897	\$ 296	\$ 296	\$ 1,126	\$ 308	\$ 10,701

The accompanying Notes to the Financial Statements are an integral part of these statements.

HENRY COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	ADMINISTRATIVE HANDLING COST FUND				VICTIMS OF DOMESTIC VIOLENCE FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	1,150	1,107	1,275	938
Charges for services	2,000	2,172	4,000	2,292	-	-	-	-
Interest	50	15	25	99	-	-	-	-
Other	26,200	25,079	26,500	9,845	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 28,250</u>	<u>\$ 27,266</u>	<u>\$ 30,525</u>	<u>\$ 12,236</u>	<u>\$ 1,150</u>	<u>\$ 1,107</u>	<u>\$ 1,275</u>	<u>\$ 938</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	31,311	24,854	36,269	12,263	1,150	1,107	1,275	938
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 31,311</u>	<u>\$ 24,854</u>	<u>\$ 36,269</u>	<u>\$ 12,263</u>	<u>\$ 1,150</u>	<u>\$ 1,107</u>	<u>\$ 1,275</u>	<u>\$ 938</u>
RECEIPTS OVER (UNDER)	\$ (3,061)	\$ 2,412	\$ (5,744)	\$ (27)	\$ -	\$ -	\$ -	\$ -
DISBURSEMENTS								
CASH AND INVESTMENTS,	<u>3,412</u>	<u>3,412</u>	<u>5,824</u>	<u>5,824</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND INVESTMENTS,	<u>\$ 351</u>	<u>\$ 5,824</u>	<u>\$ 80</u>	<u>\$ 5,797</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

HENRY COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	CARES FUND			INMATE SECURITY FUND			
	Year Ended December 31,			2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	
RECEIPTS							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	295,000	296,937	281,000	292,707
Interest	1,000	238	-	-	-	-	-
Other	-	-	-	2,000	42	-	633
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ 1,000	\$ 238	\$ -	\$ 297,000	\$ 296,979	\$ 281,000	\$ 293,340
DISBURSEMENTS							
Salaries	\$ 220,211	\$ 220,870	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	19,200	16,705	-	-	-	-	-
Materials and supplies	-	-	-	105,000	132,523	120,000	123,859
Services and other	2,500	3,671	-	160,000	115,960	134,000	106,586
Capital outlay	-	-	-	15,000	14,838	30,000	31,913
Construction	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	\$ 241,911	\$ 241,246	\$ -	\$ 280,000	\$ 263,321	\$ 284,000	\$ 262,358
RECEIPTS OVER (UNDER)	\$ (240,911)	\$ (241,008)	\$ -	\$ 17,000	\$ 33,658	\$ (3,000)	\$ 30,982
DISBURSEMENTS							
CASH AND INVESTMENTS, JANUARY 1	241,008	241,008	-	3,605	3,605	37,263	37,263
CASH AND INVESTMENTS, DECEMBER 31	\$ 97	\$ -	\$ -	\$ 20,605	\$ 37,263	\$ 34,263	\$ 68,245

The accompanying Notes to the Financial Statements are an integral part of these statements.

HENRY COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LOCAL EMERGENCY PLANNING FUND			SHERIFF CIVIL FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	20,000	2,478	2,500	6,291	-	-
Charges for services	-	-	-	-	20,000	12,304
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 20,000	\$ 2,478	\$ 2,500	\$ 6,291	\$ 10,540	\$ 12,304
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	6,000	629	11,500	6,308	10,354	9,571
Services and other	6,000	336	6,000	502	1,000	1,112
Capital outlay	-	690	1,000	-	1,000	2,050
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 12,000	\$ 1,655	\$ 18,500	\$ 6,810	\$ 15,678	\$ 12,733
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 8,000	\$ 823	\$ (16,000)	\$ (519)	\$ (5,138)	\$ (429)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	20,037	20,037	20,860	20,860	10,781	5,643
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 28,037	\$ 20,860	\$ 4,860	\$ 20,341	\$ 9,781	\$ 5,214

The accompanying Notes to the Financial Statements are an integral part of these statements.



HENRY COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	HENRY COUNTY LAW FUND			SHERIFF REVOLVING FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	1,500,000	1,699,030	1,600,000	-	-	-
Intergovernmental	-	-	-	17,500	15,785	3,910
Charges for services	960,183	1,060,070	1,009,105	-	-	-
Interest	1,000	2,164	1,500	-	-	-
Other	10,000	1,005	5,000	100	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 2,471,183	\$ 2,762,269	\$ 2,615,605	\$ 17,600	\$ 15,785	\$ 3,910
<b>DISBURSEMENTS</b>						
Salaries	\$ 1,522,939	\$ 1,290,550	\$ 1,651,479	\$ -	\$ -	\$ -
Employee fringe benefits	306,802	383,113	349,885	-	-	-
Materials and supplies	88,300	97,812	125,100	4,000	3,935	5,478
Services and other	488,600	362,779	467,500	5,000	5,687	713
Capital outlay	534,000	472,530	540,950	8,000	7,378	3,094
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 2,940,641	\$ 2,606,784	\$ 3,134,914	\$ 17,000	\$ 17,000	\$ 9,285
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (469,458)	\$ 155,485	\$ (519,309)	\$ 600	\$ (1,215)	\$ (5,375)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	594,368	594,368	749,853	10,291	10,291	9,076
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 124,910	\$ 749,853	\$ 230,544	\$ 10,891	\$ 9,076	\$ 3,701

The accompanying Notes to the Financial Statements are an integral part of these statements.

## HENRY COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDS STORAGE FUND			ELECTION SERVICES FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	11,000	11,456	9,418
Charges for services	13,000	17,734	15,000	-	-	-
Interest	300	224	200	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 13,300	\$ 17,958	\$ 15,200	\$ 11,000	\$ 11,456	\$ 9,418
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	86,000	27,097	31,000	750	-	580
Capital outlay	-	-	-	58,419	-	48,645
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 86,000	\$ 27,097	\$ 31,000	\$ 59,169	\$ 55,640	\$ 49,225
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (72,700)	\$ (9,139)	\$ (15,800)	\$ (48,169)	\$ 11,456	\$ (39,807)
CASH AND INVESTMENTS,	72,979	72,979	63,840	48,169	48,169	59,625
CASH AND INVESTMENTS,	\$ 279	\$ 63,840	\$ 48,040	\$ -	\$ 59,625	\$ 19,818

The accompanying Notes to the Financial Statements are an integral part of these statements.

## HENRY COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SENIOR CITIZENS' SERVICE FUND			TAX MAINTENANCE FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ 167,111	\$ 178,420	\$ 175,000	\$ 180,425	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	35,000	32,629
Interest	1,500	848	500	4,892	-	-
Other	-	-	-	-	-	80
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 168,611	\$ 179,268	\$ 175,500	\$ 185,317	\$ 35,000	\$ 32,709
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -
Employee fringe benefits	-	-	-	-	700	-
Materials and supplies	700	-	500	141	5,000	2,259
Services and other	207,285	108,105	251,748	180,429	20,000	2,264
Capital outlay	-	-	-	-	20,000	19,798
Construction	-	-	-	-	18,000	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 207,985	\$ 108,105	\$ 252,248	\$ 180,570	\$ 55,700	\$ 24,321
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (39,374)	\$ 71,163	\$ (76,748)	\$ 4,747	\$ (20,700)	\$ 8,388
<b>CASH AND INVESTMENTS, JANUARY 1</b>	197,815	197,815	268,978	268,978	36,388	37,784
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 158,441	\$ 268,978	\$ 192,230	\$ 273,725	\$ 15,688	\$ 46,172

The accompanying Notes to the Financial Statements are an integral part of these statements.

HENRY COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ARPA FUND				INDUSTRIAL DEVELOPMENT AUTHORITY FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	2,119,528	2,119,528	2,119,528	2,119,528	-	-	8,806	8,806
Charges for services	-	-	-	-	-	-	-	-
Interest	3,900	3,071	6,000	42,011	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 2,123,428</u>	<u>\$ 2,122,599</u>	<u>\$ 2,125,528</u>	<u>\$ 2,161,539</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,806</u>	<u>\$ 8,806</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ 25,000	\$ 15,070	\$ 310,000	\$ 225,205	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	5,500	3,054	24,000	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	8,806	-
Services and other	92,928	13,324	539,500	67,298	-	-	-	21
Capital outlay	-	-	46,046	46,045	-	-	-	-
Construction	2,000,000	-	2,300,000	1,600,572	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,123,428</u>	<u>\$ 31,448</u>	<u>\$ 3,219,546</u>	<u>\$ 1,939,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,806</u>	<u>\$ 21</u>
<b>RECEIPTS OVER (UNDER)</b>								
DISBURSEMENTS	\$ -	\$ 2,091,151	\$ (1,094,018)	\$ 222,419	\$ -	\$ -	\$ -	\$ 8,785
<b>CASH AND INVESTMENTS,</b>								
<b>JANUARY 1</b>	-	-	2,091,151	2,091,151	-	-	-	-
<b>CASH AND INVESTMENTS,</b>								
<b>DECEMBER 31</b>	<u>\$ -</u>	<u>\$ 2,091,151</u>	<u>\$ 997,133</u>	<u>\$ 2,313,570</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,785</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

HENRY COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund/Account	Cash and Investments January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Investments December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Investments December 31, 2022
	\$		\$	\$	\$	\$	\$
Treasurer PADT	-	-	-	-	-	-	-
Treasurer CAP Schools	-	259,930	259,930	-	235,502	235,502	-
Treasurer Tax Surplus	8,340	19	5,092	3,267	9,330	3,347	9,250
Treasurer Lieu/Tax	-	48,551	16,478	32,073	8,881	39,347	1,607
Treasurer Criminal Cost	440	4,370	4,810	-	4,380	4,380	-
Treasurer CERF	-	375,624	375,624	-	368,623	368,623	-
Treasurer Payroll	62,006	3,862,222	3,908,434	15,794	4,222,312	4,231,718	6,388
LATC	9,957	30	-	9,987	194,282	10,109	194,160
27th Tax Treatment Courts	64,144	12,957	9,793	67,308	6,794	15,873	58,229
Collector	12,350,555	23,102,820	22,392,559	13,060,816	23,713,706	22,715,242	14,059,280
Collector Protest	7,955	24	-	7,979	10,265	-	18,244
Recorder	19,264	224,205	243,465	4	193,510	193,510	4
Sheriff Fees	(248)	307,696	296,923	10,525	405,800	372,591	43,734
Sheriff Asset Forfeiture	2,273	-	33	2,240	-	36	2,204
Sheriff Inmate	17,170	471,117	460,930	27,357	352,825	361,283	18,899
Public Administrator	592,395	3,426,397	2,633,984	1,384,808	5,153,167	4,381,803	2,156,172
Total	<u>\$ 13,134,251</u>	<u>\$ 32,095,962</u>	<u>\$ 30,608,055</u>	<u>\$ 14,622,158</u>	<u>\$ 34,879,377</u>	<u>\$ 32,933,364</u>	<u>\$ 16,568,171</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

HENRY COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Henry County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there were nine elected Constitutional Officers: Assessor, Circuit Clerk, Collector/Treasurer, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder of Deeds and Sheriff. Subsequent to 2022, the Circuit Clerk and Recorder of Deeds offices were combined.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Henry County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022 and 2021, for purposes of taxation were:

	2022	2021
Real Estate	\$ 313,316,820	\$ 309,309,080
Personal Property	113,150,986	93,860,153
Railroad and Utilities	35,075,471	32,433,847
Total	<u>\$ 461,543,277</u>	<u>\$ 435,603,080</u>

For calendar years 2022 and 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022	2021
General Revenue	\$ 0.0549	\$ -
Senior Citizens' Service	0.0423	0.0423

Property tax receipts were recorded in the Special Road and Bridge Fund based on a percentage allocation of township tax collections.

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.



## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 10,090,021	\$ 11,283,791	\$ 500,000
Investments - Governmental Funds	1,033,057	1,033,057	250,000
Total Governmental Funds	<u>\$ 11,123,078</u>	<u>\$ 12,316,848</u>	<u>\$ 750,000</u>
Cash and Cash Equivalents - Fiduciary Funds	<u>\$ 16,568,171</u>	<u>\$ 14,154,510</u>	<u>\$ 500,000</u>

At December 31, 2021, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 7,362,906	\$ 7,794,264	\$ 500,000
Investments - Governmental Funds	1,020,024	1,020,024	250,000
Total Governmental Funds	<u>\$ 8,382,930</u>	<u>\$ 8,814,288</u>	<u>\$ 750,000</u>
Cash and Cash Equivalents - Fiduciary Funds	<u>\$ 14,622,158</u>	<u>\$ 14,648,465</u>	<u>\$ 334,832</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 and 2021 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

## 3. COUNTY EMPLOYEES' RETIREMENT PLANS

### A. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

#### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per

calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002. During 2022 and 2021, the County collected and remitted to CERF employee withholdings of \$375,554 and \$368,623, respectively for the years then ended.

## B. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$18,362 and \$15,518, respectively, for the years ended December 31, 2022 and 2021.

### C. Other Retirement Plan

Contributions to a voluntary retirement plan are paid by a deduction from employees' salaries. These contributions qualify under the Internal Revenue Code and are tax exempt. These contributions are then remitted to PEBSCO who administers the 414 Plan. Employee contributions were \$910 and \$910, respectively, for the years ended December 31, 2022 and 2021.

## 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

## 5. CLAIMS, COMMITMENT AND CONTINGENCIES

### A. Compensated Absences

The County provides full-time employees with eight hours of sick leave for each completed calendar month of employment, up to a maximum of 720 hours. Upon termination, employees will not be compensated for any unused sick time.

Vacation time is made available in whole on the employee's anniversary date. Vacation time is five days for employees with one year of service; ten days for employees with two to nine years of service; 15 days for employees with ten or more years of service. Employees are allowed to carry over five days of vacation into a new employment year, with approval from their department head. Upon termination, employees are compensated for any unused vacation time.

Full-time employees earn overtime or compensatory time credits based on department assignment. Overtime and Compensatory Time credits are earned at 1.5 times the regular hourly rate of the employee for work hours accumulated over 40 hours in a work week. Upon termination, employees are compensated for any compensatory time credits.

### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

### C. Litigation

The County was not involved in pending litigation as of the audit report date.

## 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2021:

- A. On December 26, 2016, the County refinanced \$6,650,000 of 2009 Certificates of Participation with 2016 Certificates of Participation with First Bank of Missouri with an interest rate of 3%. The Certificates of Participation are solely payable from rents paid by the County to the trustee under the lease purchase agreement. The County's obligations under the lease purchase agreement do not extend beyond the amount budgeted for any respective fiscal year. The County has the option to purchase the trustee's interest in the leased property on any date at an amount necessary to provide for the rent payments on each rent payment date through the end of the leases. Certificates of participation payable at December 31, 2022 and 2021 are as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 450,000	\$ 72,300	\$ 522,300
2024	460,000	58,800	518,800
2025	470,000	45,000	515,000
2026	500,000	30,900	530,900
2027	530,000	15,900	545,900
Totals	<u>\$ 2,410,000</u>	<u>\$ 222,900</u>	<u>\$ 2,632,900</u>

- B. On January 12, 2016, the County entered into a lease purchase agreement with US Bancorp for \$500,000 for the purchase of 911 equipment. The lease purchase agreement calls for twenty semi-annual payments of \$28,836 starting July 12, 2016, with an interest rate of 2.08% The County has the following payments remaining:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
January 12, 2023	\$ 26,162	\$ 2,674	\$ 28,836
July 12, 2023	26,529	2,307	28,836
January 12, 2024	26,900	1,936	28,836
July 12, 2024	27,277	1,559	28,836
January 12, 2025	27,659	1,177	28,836
July 12, 2025	28,046	790	28,836
January 12, 2026	28,438	398	28,836
Totals	<u>\$ 191,011</u>	<u>\$ 10,841</u>	<u>\$ 201,852</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

<u>Description</u>	<u>Balance 12/31/2021</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance 12/31/2022</u>	<u>Interest Paid</u>
2016 COPS	\$ 2,825,000	\$ -	\$ (415,000)	\$ 2,410,000	\$ 84,750
2016 911 Equipment	242,257	-	(51,246)	191,011	6,427

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

<u>Description</u>	<u>Balance 12/31/2020</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance 12/31/2021</u>	<u>Interest Paid</u>
2016 COPS	\$ 3,225,000	\$ -	\$ (400,000)	\$ 2,825,000	\$ 96,750
2016 911 Equipment	292,098	-	(49,841)	242,257	7,832

## 8. OPERATING LEASES

At December 31, 2022, the County has a lease with Mobilis Technologies, LLC for software licenses and certain hardware leases requiring 60 monthly payments of \$1,000 to begin on May 1, 2018, and mature on April 1, 2023. The County made payments totaling \$12,000 in each year, 2022 and 2021. As of December 31, 2022, the lease had an outstanding balance of \$3,000.

## 9. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 30, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Commission and  
Officeholders of Henry County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Henry County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Henry County, Missouri's basic financial statements and have issued our report thereon dated August 30, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Henry County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Henry County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Henry County, Missouri's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify with any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Henry County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Henry County, Missouri's Response to Findings**

Henry County, Missouri's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Henry County, Missouri's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed By McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 30, 2023



## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Henry County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Henry County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Henry County, Missouri's major federal programs for the years ended December 31, 2022 and 2021. Henry County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Henry County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2022 and 2021.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Henry County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Henry County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Henry County, Missouri's federal programs.

## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Henry County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Henry County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Henry County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Henry County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Henry County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed By McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 30, 2023

HENRY COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31, 2021	2022
15.226	U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT US Department of the Interior	PILT	\$ 173,415	\$ 177,859
16.575	U.S. DEPARTMENT OF JUSTICE Passed through Missouri Department of Public Safety - Crime Victim Assistance	ER130180073 ER130220129-001	\$ 66,814	\$ -
16.738	Edward Byrne Memorial Justice Assistance Grant	15PB/A-21-GG-00	\$ -	\$ 73,237
			\$ -	\$ 8,452
20.205	U.S. DEPARTMENT OF TRANSPORTATION Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO-B04029	\$ 547,007	\$ 3,139
20.600	State and Community Highway Safety	21-PT-02-026	\$ 18,000	\$ -
20.616	National Priority Safety Programs	22-PT-02-014	\$ -	\$ 24,958
20.019	U.S. DEPARTMENT OF TREASURY Passed through Missouri State Treasurer COVID-19 Coronavirus Relief Fund	N/A	\$ 241,008	\$ -
21.027	Direct Program COVID-19 Coronavirus State and Local Fiscal Recovery Funds	N/A	\$ 31,448	\$ 1,939,120
93.563	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Passed through Missouri Department of Social Services Child Support Enforcement	ER10220C038	\$ 89,194	\$ 88,734
97.042	U.S. DEPARTMENT OF HOMELAND SECURITY Passed through Missouri Department of Public Safety Emergency Management Performance Grants	EMK-2020-EP-00 EMK-20210EP-00 EMK-2022-00004	\$ 37,564 - -	\$ - 10,245 11,501
	Total 97.042		\$ 37,564	\$ 21,746
	Total Expenditures of Federal Awards		\$ 1,204,450	\$ 2,337,245

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**HENRY COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Henry County, Missouri for the years ended December 31, 2022 and 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUBRECIPIENTS**

The County did not pass any federal awards through to subrecipients during the years ended December 31, 2022 and 2021.

HENRY COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2022 AND 2021

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported
- Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?      Yes   X   No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

## **SECTION II – FINANCIAL STATEMENTS FINDINGS**

### **MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

### **SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

#### **2022-001: Documentation of Internal Control Processes and Risk Assessment Procedures**

Criteria: Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, which is effective for periods ending on or after December 15, 2009, as amended by SAS No. 122, *Statement on Auditing Standards: Clarification and Recodification*, considers inadequate documentation of internal control to be at least a significant deficiency. A quality system of internal control must include assessing the risks involved which the system of internal control hopes to protect against.

Condition: The officeholders other than the County Clerk do not have a documented system of internal control. Additionally, during the walkthroughs of the County, we noted there is no formal fraud risk assessment in place.

Cause: The officeholders have not been diligent in documenting the control processes which are followed in each office.

Effect: The lack of documented internal control processes could lead to a lack of continuity and effectiveness in the operation of the internal controls. Additionally, the lack of a documented risk assessment could lead to a risk not being properly addressed and the internal control processes may not be designed appropriately to protect against such a risk.

Recommendation: We recommend that the county improve the documentation internal controls for each office other than the County Clerk. Additionally, the County should perform a risk assessment and document the results of such assessment. This assessment should be updated or reperformed at least annually.

County's Response: The County has instructed the various officeholders to prepare the missing documentation. They have made the documentation of internal controls in the County Clerk's office available as a guide for developing the documentation in other offices.

Auditor's Evaluation: The response is appropriate to correct the concern.

### **ITEMS OF NONCOMPLIANCE**

None.

## **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None.

**MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:**

- **Summary Schedule of Prior Audit Findings**
  - **Corrective Action Plan**





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100 W. Franklin  
Clinton, Missouri 64735-2080

## HENRY COUNTY, MISSOURI SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Henry County, Missouri on the applicable findings in the prior audit report issued for the two years ended December 31, 2020 and 2019.

**2020-001:** Documentation of the County's internal controls has not been prepared.

Status: Not resolved. See finding 2022-001.

**2020-002:** There is no formal fraud risk assessment in place.

Status: Not resolved, see finding 2022-001.

**2020-003:** We noted that the Sheriff's Fee bank account was reconciled to a negative balance.

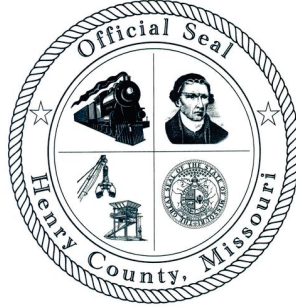
Status: Resolved.

**2020-004:** During the walkthroughs of the County, we noted there is not documentation over internal controls with regards to federal awards in place.

Status: Resolved.

**2020-005:** Through auditing procedures, we were able to correct and support the amounts reported on the Schedule of Expenditures of Federal Awards (SEFA). Prior to these corrections, the SEFA was prepared with incorrect financial information.

Status: Resolved.



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Clinton, Missouri 64735-2080

## HENRY COUNTY, MISSOURI CORRECTIVE ACTION PLAN

**Finding Reference Number:** 2022-001

**Federal Agency:** N/A

**Program Name:** N/A

**CFDA Number:** N/A

**Responsible Official:** Officeholders other than the County Clerk

**Views of Responsible Individuals:** The County has instructed the various officeholders to prepare the missing documentation. They have made the documentation of internal controls in the County Clerk's office available as a guide for developing the documentation in other offices.

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## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

August 30, 2023

To the County Commission  
Henry County, Missouri

We have audited the regulatory basis financial statements of Henry County, Missouri for the years ended December 31, 2022 and 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 12, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Henry County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022 and 2021. We noted no transactions entered into by the County during the years for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected during the audit.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 30, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the years ended December 31, 2022 and 2021, we considered Henry County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our report on our consideration of internal control over financial reporting dated August 30, 2023.

Additionally, we noted the following items which were not considered material weaknesses or significant deficiencies:

### Use of State Fund to Pay Sales Tax

In performing tests of disbursements, it was noted the County is occasionally using public funds to pay for sales taxes. As an exempt entity which is not required to pay Missouri sales taxes, using public funds to pay for sales tax should be avoided.

### Other Matters

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles prescribed or permitted by Missouri law, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Henry County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



# Scott Fitzpatrick

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Missouri State Auditor

Dunklin County Sewer District

Report No. 2023-073

October 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Dunklin County Sewer District

Missing and/or Misappropriated Money and Sewer Services	From January 1, 2017, through March 5, 2021, money and sewer services totaling at least \$62,579 were missing and/or misappropriated from the district and an estimated additional \$98,096 was not deposited and is likely missing from the district. Payroll overpayments totaling \$54,049 were made to the Bookkeeper; unsupported payments totaling \$4,567 were made to the Board President and the Bookkeeper; sewer services totaling \$3,063 were not paid by the Board President and Bookkeeper; and estimated and actual sewer security deposits and sewer receipts totaling \$98,996 were not deposited by the Bookkeeper.
Nepotism	In violation of the Missouri Constitution, the Board President hired and paid his wife to serve as the Bookkeeper from August 2008 to March 5, 2021. In addition, from March 2020 until March 2021, 14 checks issued to the Bookkeeper, totaling \$23,743, were signed by the Board President. Timesheets or other records of work performed were not prepared or retained to support these payments.
Financial Condition	The sewer district was in poor financial condition as its short-term liabilities significantly exceeded its available cash. The Board failed to monitor the district's cash balances and evaluate whether sewer rates were sufficient to meet district costs. As a result, the district was placed in receivership.
Oversight, Annual Audits, and Bonding	At least 2 vacant Board positions were not filled for more than 4 years leaving the citizens of the district without adequate leadership, representation, and accountability; the existing Board members did not establish adequate oversight over district operations; and only 1 Board member's signature was required on district checks. Also, Board members that signed checks from January 2017 to February 2020, indicated in sworn testimony they signed blank checks in advance and signed other checks without reviewing the related invoices, and the Board President signed most checks from March 2020 until March 2021, including checks issued to himself and his wife. The Board also did not obtain annual audits as required by state law and United States Department of Agriculture (USDA) bond agreements, and did not obtain bond coverage for district officials responsible for receipts and disbursements.
Payroll and Related Matters	The Bookkeeper did not ensure payroll tax forms were filed and payroll taxes were remitted timely to the IRS. As a result the sewer district was assessed \$756 in penalties, \$287 in interest, and \$1,881 in additional taxes. Also, as of July 8, 2022, at least \$10,252 was still due to the IRS and significant interest and penalties were still accruing. Additionally, the Bookkeeper did not prepare timesheets or documentation of work performed to support payments made; the district did not maintain/retain personnel policies and personnel files; and the Bookkeeper issued herself pay advances on numerous occasions in violation of the Missouri Constitution.



## Accounting Controls and Procedures

The district's procedures for receipting, recording, and depositing money were poor. The Bookkeeper did not prepare bank reconciliations for any of the district's bank accounts, maintain a checkbook register or book balances, always issue checks in numerical order, or prepare a list of bills or monthly financial reports for Board review. The Board and the Bookkeeper failed to monitor the sewer district's cash balances and incurred almost \$1,700 in overdraft and minimum balance fees. Additionally, the Bookkeeper did not maintain a listing of refundable customer security deposits held in the Deposit account and made \$10,200 of improper transfers from these restricted funds. We estimated a shortage of \$21,987 in customer security deposits in that account. The Bookkeeper and Board also did not make required bond payments, did not fund bond accounts in accordance with bond agreements, and did not maintain/retain district records.

In the areas audited, the overall performance of this entity was **Poor**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.



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# Dunklin County Sewer District

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the Honorable Mayor  
and  
Members of the City Council  
City of Malden, Missouri

We have audited certain operations of the Dunklin County Sewer District as they relate to the sewer district's finances in fulfillment of our duties under Chapter 29, RSMo. The City of Malden was appointed receiver of the Dunklin County Sewer District on March 5, 2021, and on April 19, 2021, passed a resolution requesting an audit be conducted by the State Auditor's Office. The scope of our audit included, but was not necessarily limited to, the period January 1, 2017, through March 5, 2021. The objectives of our audit were to:

1. Evaluate the district's internal controls over significant management and financial functions.
2. Evaluate the district's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.
4. Determine the extent of money missing and/or misappropriated from the district, if any.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the district, as well as certain external parties; verifying sewer payments with customers; analyzing comparative data obtained from external sources; and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the former district's Board members and Bookkeeper, and was not subjected to the procedures applied in our audit of the sewer district.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, (3) the need for improvement in management practices and procedures, and (4) missing and/or misappropriated money and sewer services totaling at least \$62,579 and additional estimated missing money totaling at least \$98,096. The accompanying Management Advisory Report presents our findings arising from our audit of the Dunklin County Sewer District.

A handwritten signature in black ink, reading "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Dunklin County Sewer District

## Introduction

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### Background

The Dunklin County Sewer District was reorganized in 2012. A 5-member Board of Trustees was initially appointed with staggered 5-year terms, with 1 new board member to be elected each April by the district's residents. However, from at least January 2017 to November 2020 (when 2 Board members resigned), the district was operated by a 3-member Board, comprised of 2 Board members and the Board President. No elections or appointments were held/made to fill the 2 Board vacancies. The 3-member Board acted as the policy and decision-making body for the district's operations until November 2020, when the 2 Board members resigned, leaving the Board President and Bookkeeper to solely operate the district until March 5, 2021. The former district Board members are referred to as Board members throughout the remainder of this report.

The former Board President, Korey Adams, was appointed on August 27, 2007, and served through March 5, 2021. The former Bookkeeper (the Board President's wife), Jennifer Adams, began employment with the district in August 2008 and served until March 5, 2021, when the district was placed into receivership. The former Board President and Bookkeeper were primarily responsible for the financial accounting functions and records of the district prior to March 5, 2021, and are referred to as Board President and Bookkeeper throughout the remainder of this report.

- Sewer - Sewer meters were read by sewer maintenance employees every few years during the months of January through March, and the average usage from these readings were used to determine a flat monthly sewer rate for each customer. The Bookkeeper notified sewer customers of the monthly sewer billing amount to be paid. Sewer rates were not changed from January 2017 to February 2021. The City of Malden accepted and treated the district's wastewater for a monthly charge as set forth in an intergovernmental service agreement. No accounting records of sewer billings or receipts from January 1, 2017, until March 5, 2021, were retained by the district or turned over to the City of Malden at the time of the receivership.
- Receipts - Sewer customers were required to mail sewer payments to the district post office box or place sewer payments into a drop box at the district office. The Bookkeeper periodically collected the payments from the post office or drop box and prepared deposits. The Board President and the Bookkeeper took the deposits to the bank.
- Disbursements - The Bookkeeper maintained disbursement documentation, prepared and distributed checks, and transferred money between bank accounts. District checks only required 1 signature. From January 2017 to February 2020, 1 of the 2 Board members signed most of the checks. The 2 Board members who signed checks indicated, in sworn testimony, they often signed blank checks in advance and signed



## Dunklin County Sewer District Introduction

checks without reviewing the related supporting documentation/invoices. In March 2020, the district opened a new General bank account, and the Board President prepared and signed almost all checks issued from this account from March 2020 to March 2021.

- Payroll - The 2 sewer maintenance employees prepared and submitted timesheets to the Bookkeeper. The Bookkeeper prepared and distributed payroll checks and 1 of the 2 Board members or the Board President signed payroll checks. The Bookkeeper reported payroll to an accounting firm that prepared quarterly and annual payroll tax forms. The Bookkeeper was responsible for filing these payroll tax forms and remitting taxes to the applicable government agency.
- Bank accounts - The Bookkeeper and Board President received monthly bank statements. The district changed banks for the General account (the district's operating account) twice between January 2017 and March 5, 2021. A Board member indicated the district changed banks to avoid garnishments from the City of Malden. The district also maintained 3 other bank accounts (Bond, Deposit, and Replacement accounts) for money related to the district's sewer bonds and security deposits.
- Reporting - The Board failed to retain meeting minutes from at least January 1, 2017, through March 5, 2021, or turn the minutes over to the City of Malden at the time of receivership. The Board and Bookkeeper did not publish financial statements or file annual financial reports with the State Auditor's Office (SAO) for the 4 years ended December 31, 2020, 2019, 2018, and 2017, and 2 Board members indicated financial reports were typically not prepared for board meetings. Also, only an incomplete budget spreadsheet that did not contain statutorily required elements was prepared.

## Receivership

The Thirty-Fifth Judicial Circuit, Dunklin County, placed the district into receivership and named the City of Malden as the receiver on March 5, 2021. Under this order, all responsibilities, functions, duties, powers, and authority of the district Board were transferred to the receiver. Pursuant to the judgment rendered by the Circuit Court, the City applied for and received authorization to garnish the district's bank accounts for the unpaid balance owed for wastewater flow and treatment. The district provided the City of Malden a list of 253 sewer customers as of March 2021, indicating the monthly sewer rate charged to each customer, amounts due, and the accounts in arrears.

## Investigation and audit

In March 2021, the SAO Whistleblower Hotline received concerns about the operations and finances of the former Dunklin County Sewer District Board from officials at the City of Malden. The SAO subsequently conducted an initial review of these matters in April 2021, under Section 29.221, RSMo.



## Dunklin County Sewer District Introduction

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After review of the documentation and communications provided, the SAO determined further investigation was warranted under Section 29.221, RSMo.

On April 19, 2021, the City of Malden, acting in its capacity as governing body of the sewer district pursuant to the Circuit Court's receivership order, adopted a resolution formally requesting and authorizing an audit by the SAO, and the SAO subsequently agreed to conduct the audit under Chapter 29, RSMo. The SAO began the audit in March 2022.

The SAO issued subpoenas to the Board President, the Bookkeeper, 3 Board members,<sup>1</sup> and a former maintenance employee<sup>2</sup> to compel them to provide testimony<sup>3</sup> and produce records and documents related to their testimonies (see Appendixes A through F). Representatives of the SAO took the testimony of the Board President and the Bookkeeper on August 22, 2022, and the testimony of 3 Board members and the former maintenance employee on August 1, 2022. Appendixes A through F include redactions. These redactions are of information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena.

The Missouri State Highway Patrol (MSHP) investigated and obtained personal bank records<sup>4</sup> of the Board President and Bookkeeper and provided those records to the SAO for review.

The district's fiscal year is January 1 through December 31.<sup>5</sup> The scope of our audit included, but was not necessarily limited to, the period January 1, 2017, through March 5, 2021. We applied procedures to district receipts, payroll, disbursements, and sewer transactions to identify/estimate the amount of missing and/or misappropriated money and sewer services and methods used to conceal such activity. The audit period includes months during the COVID-19 pandemic, which could have impacted sewer account activity; however, we used conservative estimates and other records to verify and support estimated missing money amounts during this period.

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<sup>1</sup> John Blackiston, one of the former Board members interviewed, served on the Board from approximately 2007 to 2015, prior to our audit period.

<sup>2</sup> Ryan Blankinship, the former maintenance employee interviewed, was employed from 2015 until November 2020.

<sup>3</sup> Testimonies were given under oath and were recorded by a court reporter.

<sup>4</sup> Personal bank records were obtained for the period January 1, 2017, to March 30, 2021.

<sup>5</sup> The district's budget spreadsheet showed the district's fiscal year as a calendar year; therefore, we reported this as the district's fiscal year. However, a Board member indicated in sworn testimony, that he could not recall the time period of the district's fiscal year, and another Board member thought the district's fiscal year was from July 1 to June 30.



## Dunklin County Sewer District Introduction

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No recommendations are provided for Management Advisory Report (MAR) finding numbers 2 through 6 (excluding MAR finding number 5.1) because those findings relate to the operations of the district prior to the City of Malden being appointed as the receiver of the district, and the Board of the sewer district is no longer active. Also, because the former sewer district Board has been dissolved and is no longer active, the recommendations for MAR finding numbers 1 and 5.1, are made to the Malden City Council.

# Dunklin County Sewer District

## Management Advisory Report

### State Auditor's Findings

#### 1. Missing and/or Misappropriated Money and Sewer Services

Money and sewer services totaling at least \$62,579<sup>6</sup> were missing and/or misappropriated from the district from January 1, 2017, through March 5, 2021, and an estimated, additional \$98,096 was not deposited during this time and is also likely missing. Payroll overpayments totaling \$54,049 were made to the Bookkeeper; unsupported payments totaling \$4,567 were made to the Board President and the Bookkeeper; sewer services totaling \$3,063 were not paid by the Board President and Bookkeeper; and estimated and actual sewer security deposits and sewer receipts totaling \$98,996 were not deposited.

The following table provides a summary of the amounts missing and/or misappropriated and identifies the appendixes where specific details are reported.

	Year Ended December 31,				January 1 through March 5, 2021	Total
	2017	2018	2019	2020		
Payroll overpayments to Bookkeeper (Appendix H)	\$ 30,799	7,531	7,343	7,369	1,007	54,049
Unsupported and questionable payments to Board President (Appendix I)	1,440	898	1,036	660	120	4,154
Unsupported and questionable payments to Bookkeeper (Appendix I)	99	0	59	255	0	413
Sewer services not paid	702	702	766	766	127	3,063
Undeposited sewer security deposits (Appendix J)	400	400	100	0	0	900
Estimated undeposited sewer security deposits	0	0	200	1,000	100	1,300
Estimated undeposited sewer receipts	21,474	12,315	36,164	25,815	1,028	96,796
Total	\$ 54,914	21,846	45,668	35,865	2,382	160,675

#### Payroll overpayments to Bookkeeper

The Bookkeeper overpaid herself \$54,049 from January 1, 2017, through March 5, 2021. We compared all checks written to the Bookkeeper to the lowest net salary amount (\$1,343<sup>7</sup>) reported to the accounting firm to

<sup>6</sup> Amounts presented in the report are rounded to the nearest dollar, whereas amounts presented in the appendixes are not rounded.

<sup>7</sup> The Bookkeeper reported her monthly salary to the district's accounting firm first as \$1,800, then \$1,500, and then \$2,000 per month; however, no documentation was retained to show the Board approved any of the changes, including the increase, in the Bookkeeper's monthly salary. Therefore, we used the lowest monthly gross salary of \$1,500 reported to the accounting firm by the Bookkeeper, which totaled \$1,343 after deductions, to determine the amount of overpayments. The Bookkeeper reported this amount to the accounting firm as her compensation at the approximate time period the Board identified overpayments as noted in the Repayment agreement section. The Bookkeeper was paid \$1,500 in January and February 2018.





Dunklin County Sewer District  
Management Advisory Report - State Auditor's Findings

determine the amount of overpayments. Payment details (included in Appendix H) were obtained from canceled checks made payable to the Bookkeeper. The Bookkeeper did not prepare timesheets and accounting records to support payments made to herself. In addition, none of the checks issued to the Bookkeeper from January 2017 to March 2021 agreed to the net amounts reported to the accounting firm.

A summary of the overpayments by year is shown in the following table:

Time Period	(1) Net Amount Paid to Bookkeeper	(2) Net Amount That Should Have Been Paid to Bookkeeper	Overpayment
2017	\$ 46,918	16,119	30,799
2018	28,850	16,119	12,731
2019	23,462	16,119	7,343
2020	23,488	16,119	7,369
January 1 to March 5, 2021	3,910	2,903	1,007
Total Overpayments	\$ 126,628	67,379	59,249
Repayments			(5,200)(3)
Net Overpayments	\$		54,049

- (1) Documentation showing the Bookkeeper's pay before deductions was not available for any payments made. As a result, we used net pay amounts for both the amounts paid and what should have been paid to ensure amounts presented were comparable.
- (2) The Bookkeeper's monthly gross salary in early 2018 was \$1,500, \$1,343.25 after deductions. We estimated an annual net salary of \$16,119 based on this monthly amount (\$1,343.25 each month for 12 months). The Bookkeeper's compensation was prorated for the period January 1 to March 5, 2021.
- (3) The Bookkeeper repaid \$5,200 in 2018, reducing the amount of overpayments.

### Overpayment methods

The Bookkeeper overpaid herself \$54,049 using different methods including issuing herself more than 1 check each month and issuing some checks for more than her monthly gross salary. For example, she issued herself 86 checks during the 50 months from January 2017 to February 2021, when only 50 checks should have been issued for her monthly payroll. She issued herself 40 checks in 2017, when only 12 monthly payments should have been issued that year. Also, 1 of the 4 checks issued in November 2017 was in the amount of \$450 and indicated "Xmas Bonus and mileage," but there was no documentation indicating the Board approved a bonus and/or to support a mileage reimbursement.

The Board President, who is the Bookkeeper's husband, signed the 13 checks, totaling \$23,488, issued to the Bookkeeper between March 1, 2020, and March 5, 2021. The two Board members who signed the remaining 73 checks,



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## Dunklin County Sewer District Management Advisory Report - State Auditor's Findings

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totaling \$103,140, indicated in sworn testimony, as noted in the Background section, they often signed blank checks in advance and signed checks without reviewing the related supporting documentation/invoices. As a result, it is likely some of these payments were signed without independent Board review.

In addition, some of the Bookkeeper's overpayments were a result of improper changes in compensation. Between January 1, 2017, and March 5, 2021, the Bookkeeper reported her monthly salary to the district's accounting firm first as \$1,800, then \$1,500, and then \$2,000 per month. However, Board meeting minutes were not maintained/retained to demonstrate the Board approved any of the changes in the Bookkeeper's monthly salary, a complete personnel file was not maintained to document the Bookkeeper's approved salary, and the Board did not establish compensation by ordinance.

In sworn testimony, a Board member indicated the Bookkeeper was to be paid "either \$1,400 a month or \$1,600 a month. I can't remember which one of those two figures it was." Another Board member indicated the Bookkeeper's compensation was "somewhere around \$1,700 a month or something like that." The Board President indicated he didn't know what amount she was supposed to be paid each month, but indicated it may have been about \$1,500 a month.

Also, bonus pay, as discussed above, represents additional compensation for services previously rendered and, as such, is in violation of Article III, Section 39, of the Missouri Constitution, and contrary to Attorney General's Opinion No. 72-1955 (June 14, 1955), which states, ". . . a government agency which derives its power and authority from the Constitution and laws of this state would be prohibited from granting extra compensation in the form of bonuses to public officers or servants after the service has been rendered."

### Repayment agreement

In sworn testimony, 2 Board members indicated overpayments to the Bookkeeper were previously identified, and the district entered into a written agreement with the Bookkeeper for repayment. Both of the Board members provided us a copy of the repayment agreement in response to subpoenas. This repayment agreement was not turned over to the City of Malden when the city was appointed receiver of the district.

As shown in Appendix G, the Bookkeeper signed the written agreement in April 2018, to repay the district \$27,892<sup>8</sup> for overpayments made to herself. The agreement provided for a monthly payment of at least \$1,200 to be paid

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<sup>8</sup>We could not determine how the Board arrived at this amount, and former Board members could not explain how the amount was calculated. As a result, we did not use this amount to determine overpayments. The overpayment amounts in this report were calculated based on our analysis of applicable records.



Dunklin County Sewer District  
Management Advisory Report - State Auditor's Findings

to the district and a payment of \$13,492 in April 2019, if the balance had not been paid previously. The agreement was signed by all the Board members, including the Board President, and indicated the Board intended to turn over any unpaid amounts due for collection and/or prosecution.

A review of the district's and Bookkeeper's bank accounts show the Bookkeeper only paid \$5,200 of the \$27,892 amount due, leaving \$22,692 unpaid. The Board did not take any steps to collect the remaining balance due or refer the overpayments for collection or prosecution. We issued a subpoena to the Bookkeeper on August 22, 2022, requiring her to produce any documentation pertaining to payments made to the district regarding this agreement; however, she did not provide any documentation.

Amounts reported to  
accounting firm

The Bookkeeper did not report \$43,979 of the net payments made to herself to the accounting firm.<sup>9</sup> Amounts paid compared to reported amounts are shown in the following table.

Time Period	Net Amount Paid to Bookkeeper	Net Amount Reported to Accounting Firm	Difference in Net Amount Paid and Reported
2017	\$ 46,918	19,444	27,474
2018	28,850	15,703	13,147
2019	23,462	19,524	3,938
2020	23,488	19,524	3,964
January to March 2021	3,910	3,254	656
Less amount repaid	(5,200)	0	(5,200)
Total	\$ 121,428	77,449	43,979

Unsupported and  
questionable payments to  
Board President and  
Bookkeeper

Supporting documentation was not available for 28 checks, totaling \$4,154, issued to the Board President and 3 checks, totaling \$413, issued to the Bookkeeper (see Appendix I). The memo line of some of the checks indicated the purpose of these checks was cellular phone allowance, mileage reimbursement, and reimbursement for mowing and other expenses. Of the 28 checks issued to the Board President, 5, totaling \$780, were signed by the Board President.

Several of the checks issued to the Board President indicated they were for reimbursement of his personal cellular phone that he stated in sworn testimony was \$60 per month. However, 2 Board members indicated in sworn testimony, they did not remember approving a cellular phone allowance for the Board President, and the Board failed to maintain/retain any meeting

<sup>9</sup> We could not determine the gross amounts paid; therefore, we are reporting net amounts paid and reported. The Bookkeeper reported gross amounts to the accounting firm of \$21,600 in 2017, \$19,000 in 2018, \$24,000 in 2019 and 2020, and \$4,000 in 2021.



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minutes indicating the Board approved cellular phone allowances. The Board President did not submit documentation of the cost of his personal cellular phone bill to support the allowance.

Some of the Bookkeeper's payroll checks included notations of mileage reimbursements in the memo line indicating the payroll also included mileage reimbursements.<sup>10</sup> These unsupported amounts are included in the overpayments total.

#### Sewer services not paid

The Board President and the Bookkeeper did not pay \$3,063 for sewer services during the 50-month period of January 2017 through February 2021. The Board President and the Bookkeeper only made 2 payments totaling \$127 for sewer services during this 50-month period. A \$64 check payment was deposited on May 10, 2017, and a \$63 check payment was deposited on March 27, 2018. We issued a subpoena to the Bookkeeper on August 22, 2022, to produce any documentation of sewer payments made to the district; however, she did not provide documentation. We calculated the unpaid services for the Board President and the Bookkeeper by taking their monthly sewer rate of \$63.80 (amount reported to the City of Malden in March 2021), multiplying it by 50 months, and then reducing the total by the \$127 they paid over that period. The monthly sewer rate did not change from January 2017 through February 2021.

#### Undeposited and estimated undeposited sewer security deposits

The Bookkeeper did not deposit \$900 and an estimated \$1,300 in sewer security deposits collected during the period January 2017 through February 2021, and the money is missing. For the periods in which complete sewer security deposit records were not available, we estimated the amount of undeposited sewer security deposits that are likely missing.

#### Undeposited sewer security deposits

The Bookkeeper did not deposit \$900 in sewer security deposits collected and recorded on deposit slips between January 2017 and October 2019 (see Appendix J).

The district collected a \$100 sewer security deposit from all new sewer customers. The Bookkeeper recorded 37 sewer security deposits (\$3,700) on bank deposit slips by utility customer name. We reviewed district deposit slips and the contents of the deposits and noted 28 of the 37 sewer security deposits received were paid by check (\$2,800) and were deposited. The remaining 9, totaling \$900, were not deposited, are missing, and were likely cash payments.

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<sup>10</sup> The amounts of reimbursement or mileage included in the payroll checks are unknown, and as a result, any amounts included in the checks are shown as overpayments in Appendix H.



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Estimated undeposited sewer  
security deposits

The Bookkeeper did not deposit an estimated \$1,300 in sewer security deposits during the 16 months from November 2019 to February 2021 (the time period in which sewer security deposit records were not available).

We conservatively estimated the security deposit amounts received and not deposited by comparing expected sewer security deposit collections to any amounts deposited during the 16 months without records. To determine expected collections, we reviewed district sewer security deposit receipt history. Based on the amount of sewer security deposits recorded (\$3,700) during the 34-month period when records were available, we conservatively estimated that approximately \$100 a month could have been collected in sewer security deposits during the period in which records were not available. Therefore, during the 16-month period from November 2019 to February 2021, an estimated \$1,600 could have been collected.

We also considered Dunklin County Water Supply District #1 security deposit collections during the 16-month period in question because customers opening water accounts would likely need to open sewer accounts. The number of new customers for the water district should approximate the number of new sewer district customers. The Dunklin County Water Supply District #1 provided a list of at least 56 new water customers located within the sewer district boundaries who paid a water deposit during this 16-month period. Based on this list, up to \$5,600 in total security deposits could have been collected during the 16-month period.

The Bookkeeper only deposited 3 sewer security deposits during the period without records (2 \$100 payments in May 2020 and a \$100 payment in February 2021). We used the most conservative estimation method and estimated \$1,300 (\$1,600 estimated collections less the \$300 deposited) to be undeposited and missing.

Estimated undeposited  
sewer receipts

The Bookkeeper may not have deposited an estimated \$96,796 of sewer receipts from January 2017 to February 2021. Sewer billings and receipts were not prepared/retained by the Bookkeeper for this 50-month time period.

We estimated monthly sewer receipts<sup>11</sup> based on the average sewer payment deposited per customer (\$65.65)<sup>12</sup> and 232 customers.<sup>13</sup> We compared this to

<sup>11</sup> Estimated monthly sewer receipts totaled \$15,231 (\$65.65 each month for 232 customers).

<sup>12</sup> We calculated the average sewer payment per customer of \$65.65, by dividing the total amount of payments deposited during the 33-month period of January 2017 to September 2019 (\$450,969.97) by the total number of payments deposited (6,869).

<sup>13</sup> The district reported 253 customers to the City of Malden in March 2021. To ensure our estimate was reasonable and to account for possible uncollected or uncollectable billings, we reduced the number of customers by the 21 customers who were in arrears for more than 5 months as of March 2021.



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actual deposits and determined an estimated \$96,796 may be missing for the 50-month period as shown:

Time Period	(1) Estimated Sewer Receipts Collected	Less Sewer Receipts Deposited	Estimated Undeposited Sewer Receipts
2017	\$ 182,772	161,298	21,474
2018	182,772	170,457	12,315
2019	182,772	146,608	36,164
2020	182,772	156,957	25,815
January to February 2021	30,462	29,434	1,028
Total	\$ 761,550	664,754	96,796

(1) Estimated monthly sewer receipts collected (\$15,231) multiplied by the number of applicable months (12 or 2).

The estimated undeposited sewer receipts, which may have been cash receipts, represent approximately 13 percent of the amount of the total estimated sewer receipts collected. Our review of sewer receipts deposited during this 50-month period (January 2017 to February 2021) showed no cash was deposited in 2017, 2018, 2019, and the first 4 months of 2020, and only \$1,215 of cash was deposited from May 2020 to March 5, 2021, which was less than 1 percent of the money deposited during this time period.

Our review of sewer receipts collected by the City of Malden from July 2021 to June 2022 (after the City of Malden was appointed receiver) showed an average of \$18,608<sup>14</sup> in sewer receipts collected each month or \$223,296 annually (adjusted for a July 2021 rate change), with \$3,536 or 19 percent being cash. This indicates sewer receipts and cash collected were likely higher than what was deposited from January 2017 to February 2021. No rate changes occurred during this time period to explain the differences. In addition, in response to our inquiries, some sewer customers stated that cash payments were made for district sewer services, and City of Malden officials also indicated sewer customers had reported making cash payments to the district for sewer services.

#### Personal bank account

A review of the Bookkeeper's and the Board President's personal bank accounts noted cash deposits totaling \$29,146 from January 2017 to March 2021. Prior to our receipt of personal bank records, the Bookkeeper indicated in sworn testimony, "You may see some checks for me from if I had done something for somebody or something but it would be checks. I don't put cash

<sup>14</sup> Average monthly collections for the period of July 2021 to June 2022 were \$25,493. For comparison purposes, we reduced this amount by the rate increase that was effective in July 2021.





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in there." In addition, the Board President indicated in sworn testimony, prior to our receipt of personal bank records, that neither he nor his wife were paid in cash or made cash deposits, and they would only have made electronic or check deposits. The Board President and Bookkeeper were not questioned again after personal bank records were obtained.

Cash deposited into the Bookkeeper's and Board President's personal accounts were as follows:

Time Period	(1) Cash Deposited into Personal Bank Accounts
2017	\$ 7,104 (2)
2018	9,063 (2)
2019	4,569
2020	7,560
January 1 to March 5, 2021	850
Total	\$ 29,146

- (1) Includes all personal bank accounts with the Bookkeeper and/or the Board President's names listed on the account.
- (2) Amount was reduced for district checks issued to the Bookkeeper and subsequently cashed, which may have been deposited into personal bank accounts.

### Conclusion

The lack of segregation of duties and adequate controls, and the absence of proper oversight, as discussed in the remainder of this report, resulted in payroll overpayments, unsupported payments, sewer services not paid, and undeposited sewer security deposits and sewer receipts.

### Recommendation

The Malden City Council continue to work with law enforcement officials regarding criminal prosecution of missing and/or misappropriated money and non-payment of sewer services, and take the necessary actions to obtain restitution.

### Auditee's Response

*We will continue to work with law enforcement officials regarding criminal prosecution of missing and/or misappropriated money and non-payment of sewer services, and take the necessary actions to obtain restitution.*

## 2. Nepotism

The Board President hired and paid his wife to serve as the Bookkeeper from August 2008 to March 5, 2021. In addition, from March 2020 until March 2021, 14 checks,<sup>15</sup> totaling \$23,743, issued to the Bookkeeper were signed by the Board President. As noted in MAR finding number 1, timesheets or other

<sup>15</sup> These 14 checks include the 13 discussed in MAR finding number 1 as overpayments (see Appendix H) plus an additional questionable payment discussed in MAR finding number 1 (See Appendix I).



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records of work performed and reimbursement claim forms and/or the related invoices were not prepared/retained to support these payments.

Article VII, Section 6, of the Missouri Constitution, provides that any public official who names or appoints to public office or employment any relative within the fourth degree shall forfeit his or her office. Discussions and decisions concerning situations in which potential nepotism exist should be completely documented so that the public has assurance that no district official has benefited improperly. In addition, Section 105.452.1(4), RSMo, mandates that no elected official of any political subdivision shall favorably act on any matter that is so specifically designed so as to provide a special monetary benefit to such official or his spouse. The Missouri Supreme Court has stated, "A public officer owes an undivided loyalty to the public whom he serves and he should not place himself in a position which will subject him to conflicting duties or expose him to the temptation of acting other than in the best interests of the public." *State ex rel. St. Louis County v. Kelly*, 377 S.W. 2nd 328, 332 (MO 1964) (quoting 43 Am. Jur., Public Officers, § 266, p. 81).

Personal interests in business matters of the sewer district created the appearance of and actual conflicts of interest. A Board member expressed concerns about possible nepotism in sworn testimony; however, the Board failed to take action to address or provide independent and supervisory reviews over transactions involving the Board President and his wife.

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### 3. Financial Condition

The sewer district was in poor financial condition as its short-term liabilities significantly exceeded its available cash. The Board failed to monitor the district's cash balances and evaluate whether sewer rates were sufficient to meet district costs. As a result, the district was placed in receivership. The following table presents the short-term liabilities and cash balances of the district at December 31 of each year from 2017 to 2020:





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	Year Ended December 31,			
	2017	2018	2019	2020
Short-Term Liabilities:				
Customer Deposits (1)	\$ 25,300	25,300	25,300	25,300
City of Malden (2)	32,710	69,894	108,924	142,921
USDA Bond Payments (3)	0	0	5,798	15,620
Debt Service Reserve (3)	61,530	62,622	63,714	64,806
Replacement and Extension (3)	38,220	44,100	49,980	55,860
Total Short Term Liabilities	\$ 157,760	201,916	253,716	304,507
Cash Balances	\$ 10,046	27,537	22,648	21,644

- (1) This amount is estimated based on the number of customers as of March 2021 and the required sewer deposit amount. The district reported 253 customers to the City of Malden in March 2021. No other documentation of the number of customers was maintained. The district collected \$100 for each sewer deposit (253\*\$100).
- (2) Amounts due for city-provided wastewater flow and treatment used to operate the sewer system.
- (3) See MAR finding number 6.5 for an explanation of these requirements.

In addition to the current liabilities noted above, as of July 2022, the district owed the Internal Revenue Service (IRS) at least \$10,000 in past due payroll taxes, interest, and penalties (see MAR finding number 5.1). As noted in the Background section, the district changed banks twice between January 1, 2017, and March 5, 2021, and a Board member indicated the district changed banks to avoid garnishments from the City of Malden.

As a result of not properly monitoring the district's finances, the Board was unaware of undeposited receipts, the overpayments discussed in MAR finding number 1, and whether sewer rates were sufficient to operate the district. Section 67.042, RSMo, provides that fees may be increased if supported by a statement of costs that shows the increase is necessary to cover costs of providing the service. Continued Board vacancies and the lack of independent leadership and accountability contributed to the Board's failure to properly monitor the district's financial condition.

## 4. Oversight, Annual Audits, and Bonding

At least 2 vacant Board positions were not filled for over 4 years, and the existing Board members did not establish adequate oversight over district operations. The Board also did not obtain annual audits as required by state law, and did not obtain bond coverage for district officials responsible for receipts and disbursements.

### 4.1 Oversight and segregation of duties

The Board did not establish adequate segregation of duties or independent supervisory reviews over the various financial accounting functions performed by the Board President and his wife, the Bookkeeper; and signed checks in advance. In addition, from at least 2017 through 2020, the 5-



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member Board had at least 2 vacant Board positions leaving the citizens of the district without adequate leadership, representation, and accountability. As a result, sewer district money was not handled and accounted for properly and discrepancies were not discovered in a timely manner.

Only 1 Board member's signature was required on district checks. From January 2017 to February 2020, 1 of the 2 Board members signed most of the checks; however, both Board members indicated in sworn testimony they signed blank checks in advance and signed other checks without reviewing the related invoices. In March 2020, a new bank account was opened, and the Board President signed 116 of the 119 checks, totaling \$130,924, issued from that date until February 16, 2021, including 19 checks issued to himself or his wife totaling \$24,523. There was no evidence these payments were reviewed by the other Board members prior to or after these payments were made.

Proper segregation of duties and/or timely supervisory or independent reviews would have helped ensure transactions were accounted for properly and assets were adequately safeguarded. Good management practices require extensive and detailed oversight by the Board. Signing blank checks in advance and requiring only 1 signature on checks were significant control weaknesses and allowed improper or unsupported disbursements to occur as noted in MAR finding number 1. Some Board members expressed concerns about the district practices in sworn testimony; however, they failed to take action to address the concerns or provide independent and supervisory reviews over transactions, including those involving the Board President and his wife.

### 4.2 Annual audits

The district did not obtain annual audits of its sewer system as required by state law and United States Department of Agriculture (USDA) bond agreements. District officials did not know when the last audit of district finances occurred.

Section 250.150, RSMo, requires the district to obtain annual audits of the sewer system, with the cost paid from revenues received from the system. The district was also required to obtain annual audits as a condition of USDA bonds. Board vacancies and the lack of independent leadership and accountability contributed to the Board's failure to obtain annual audits as required.

### 4.3 Bonding

The Board did not ensure all individuals with access to district money, including the Board President, a Board member, and the Bookkeeper were bonded. The only bonded official for the district was the Board Secretary/Treasurer. Had the district obtained bond coverage for all persons with access to money, some of the missing and/or misappropriated money and sewer services may have been covered and reimbursed by the bonding company. Continued Board vacancies and the lack of independent leadership



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and accountability contributed to the Board's failure to properly bond all individuals with access to district money.

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## 5. Payroll and Related Matters

Payroll controls and procedures were not adequate.

### 5.1 Payroll taxes

The Bookkeeper did not ensure payroll tax forms were filed and payroll taxes were remitted to the IRS timely, as required. As a result, the sewer district was assessed \$756 in penalties, \$287 in interest, and \$1,881 in additional taxes. Also, as of July 8, 2022, at least \$10,252 was still due to the IRS and significant interest and penalties were still accruing.

It is possible the IRS will assess additional penalties and interest related to other late filings and remittances. For example, the IRS transcripts for the first, second, and fourth quarters of 2019, indicated, "Requested data not found," and it is possible the district failed to file or remit payroll taxes for these periods. The Bookkeeper also failed to file a tax form for the third quarter of 2019 and only remitted \$1,864 of the \$2,734 in taxes due. Also as noted in MAR finding number 1, the Bookkeeper did not report all of the amounts she paid to herself to the accounting firm for inclusion on her W-2 form; therefore, additional taxes, interest, and penalties may be owed by the district on those payments.

The Internal Revenue Code requires employers to file a 941 form by the last day of the month following the end of the quarter, along with payment of Social Security and Medicare taxes withheld from employees and the employer's share, as well as federal income taxes withheld. The IRS requires employers to report all compensation on W-2 forms and withhold and remit income and payroll taxes. Controls and procedures to ensure taxes and forms are remitted and filed properly are necessary to prevent unnecessary penalties and interest.<sup>16</sup> Board vacancies and the lack of independent leadership and accountability contributed to the Board not ensuring the Bookkeeper filed the payroll returns, remitted payroll taxes timely to the IRS, and accurately reported her compensation.

### 5.2 Timesheets

The Bookkeeper did not prepare timesheets or other documentation of work performed to support payments made, which helped conceal the overpayments as noted in MAR finding number 1.

Without adequate timesheets or other documentation of work performed, the district could not ensure hours worked were accurate and properly documented. In addition, Fair Labor Standards Act (FLSA) regulation

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<sup>16</sup> 26 CFR Section 31.6011(a)-1, 26 CFR Section 31.6071(a)-1, 26 CFR Section 31.6151-1(a).



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Section 29 CFR Section 516.2(a) requires employers to maintain accurate records of actual time worked by employees. Board vacancies and the lack of independent leadership and accountability contributed to the Board's failure to require sufficient documentation of the Bookkeeper's time worked.

### 5.3 Personnel policies and files

The district did not maintain personnel policies to address the compensation of its employees, hours of work, timesheets or other records of time worked, leave records, and how overtime/compensatory time was to be calculated. As noted in MAR finding number 1, the Bookkeeper reported her own salary changes to the accounting firm 3 times during the period January 2017 through December 2020; however, no Board meeting minutes or other documentation were maintained/retained to support the changes. In addition, district officials did not retain complete personnel files for the district's 3 employees to document employee hire and termination dates and authorized compensation.

Written personnel policies are necessary to ensure equitable treatment of employees and prevent misunderstandings. Personnel files should at a minimum, contain documentation of the Board's authorization for hiring the employee, the employee's authorized pay rate, and any subsequent changes in pay rate. Continued Board vacancies and the lack of independent leadership and accountability contributed to the Board's failure to establish personnel policies and maintain personnel files.

### 5.4 Pay advances

The Bookkeeper issued herself pay advances on numerous occasions between January 2017 and March 2021, in violation of the Missouri Constitution. The Bookkeeper was to be paid at the end of each month for the time worked that month. However, checks were often issued prior to the end of the month in which services were provided. For example, 1 check for \$1,955 written on May 10, 2018, indicated on the check memo line that it was for "Payroll May" and another check for \$1,955 written on July 15, 2018, indicated on the check memo line that it was for "July Payroll." Both checks were issued in advance of the Bookkeeper working her required hours. No other employees received advance payments.

Advance payments are loans of district funds. The district had no statutory authority to make loans and Article VI, Sections 23 and 25 of the Missouri Constitution, specifically prohibit counties, cities, or other political subdivisions of the state from granting public money or things of value to any corporation, association, or individual. Some of these advance payments are included as part of the misappropriations noted in MAR finding number 1. Continued Board vacancies and the lack of independent leadership and accountability allowed payroll advances to occur without detection.



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## Recommendation

- 5.1 The Malden City Council ensure district payroll tax returns are filed and district payroll taxes are remitted to the IRS timely, and take immediate action to pay amounts due. In addition, the Bookkeeper's W-2 forms should be amended as appropriate.

## Auditee's Response

- 5.1 *We will use our best efforts to ensure district payroll tax returns are filed and district payroll taxes are remitted to the IRS timely, and take immediate action to pay amounts due. In addition, we will make our best effort to have the Bookkeeper's W-2 forms amended as appropriate.*

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## 6. Accounting Controls and Procedures

Accounting controls and procedures were not adequate. During the period January 1, 2017, through December 31, 2020, sewer district deposits totaled approximately \$800,000 and disbursements totaled approximately \$857,000.

### 6.1 Receipting, recording, and depositing

The district's procedures for receipting, recording, and depositing money were poor. As a result, money was not properly receipted, recorded, and deposited.

- The Bookkeeper did not issue receipt slips for sewer payments received or maintain/retain a comprehensive record of customer sewer payments. As a result, neither the completeness nor the composition of sewer payments received could be compared to the composition of deposits.
- The Bookkeeper did not deposit sewer payments intact or timely. For example, a check dated March 22, 2020, was not deposited until April 28, 2020, while other checks dated around this date were deposited on March 23, March 31, or April 14, 2020. For the 48-month period from January 2017 through December 2020, deposits were only made once a month in 7 months, and were only made twice a month in an additional 18 months.

Failure to implement adequate receipting, recording, and depositing procedures increased the risk that loss, theft, or misuse of money received would occur and go undetected. Continued Board vacancies and the lack of independent leadership and accountability contributed to the Board's failure to ensure the Bookkeeper was keeping proper accounting records and depositing receipts intact and timely.

### 6.2 Bank reconciliations, checks, and accounting records

The Bookkeeper did not prepare bank reconciliations for any of the district's bank accounts, maintain a checkbook register or book balances, or always issue checks in numerical order.

Bank reconciliations performed by someone independent of the receipting and disbursing functions would have helped ensure receipts and



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disbursements were properly handled and recorded, and would have increased the likelihood errors were identified and corrected timely. Maintaining a checkbook register and book balance would have aided in preparing the monthly bank reconciliations and monitoring the bank balances. In addition, issuing checks in numerical sequence would have helped to properly account for all disbursements and reduce the risk of unauthorized transactions. Continued Board vacancies and the lack of independent leadership and accountability contributed to the Board not requiring the Bookkeeper to prepare bank reconciliations and a checkbook register or book balances, and issue checks in numerical order.

### 6.3 Board review and approval process

The Bookkeeper did not prepare a list of bills or monthly financial reports for Board review. During sworn testimony, 2 Board members indicated the Bookkeeper did not provide financial reports or bank statements for their review from 2018 to November 2020. In addition, as previously mentioned, these 2 Board members also indicated, in sworn testimony that they signed blank checks in advance and did not review related invoices when they signed checks.

The Board and the Bookkeeper also failed to monitor the sewer district's cash balances. As a result, the sewer district incurred \$1,664 in overdraft fees and \$35 in minimum balance fees between January 2017 and February 2021. Had the Board reviewed the bank statements, it could have identified and questioned the improper payments and the declining cash balances.

By approving all disbursements and reviewing supporting documentation, bank information, and canceled checks the Board could have helped safeguard against possible loss or misuse of funds and prevent bank account overdraft and minimum balance charges. Continued board vacancies and an overall lack of independent leadership and accountability contributed to the Board's failure to ensure necessary financial documentation was prepared and reviewed.

### 6.4 Sewer security deposits and transfers of restricted funds

The Bookkeeper did not maintain a listing of refundable customer security deposits to reconcile to balances held in the Deposit account. In addition, the Bookkeeper made 5 transfers between August 2017 and August 2019, totaling \$10,200, from the Deposit account to the district's General account. These transfers of restricted funds allowed some of the improper disbursements to continue to occur and not be detected.

The district collected \$100 security deposits from new sewer customers and deposited this money into the Deposit account. As noted in the Background section, the district provided a report to the city in March 2021 indicating the district had 253 customers. We estimated \$25,300 in total sewer security deposits should have been on hand (253 customers at \$100 each) in February 2021 in the Deposit account. However, as of February 8, 2021, the Deposit





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account only had a balance of \$3,313, resulting in an estimated shortage of \$21,987. From September 18, 2019, to February 8, 2021, there was no activity in this account and the balance remained \$3,313.

Refundable sewer security deposits are restricted funds held for customers. Periodic reconciliation of customer security deposit balances to district accounting records would have helped ensure adequate funds were available for refunds and would have allowed for prompt detection of discrepancies. In addition, adequate documentation of the purpose of transfers and Board approval of the transfers prior to their execution would have helped ensure district funding was used for the intended purpose. Continued Board vacancies and the lack of independent leadership and accountability contributed to the lack of appropriate documentation and reconciliation of customer security deposits, and allowed the deposit shortages and inappropriate transfers of restricted money to go undetected.

### 6.5 Bond requirements

The Bookkeeper and Board did not make required bond payments and did not fund bond accounts in accordance with bond agreements.

#### Bond payments

As of March 1, 2021, the district owed \$15,620 to the USDA for 3 bonds because the authorized electronic monthly bond payments, totaling \$26,620, from October 2019 and March, April, May, and June 2020, were returned for insufficient funds. The district subsequently made payments towards the balance due but did not repay the full amount.

#### Bond funding requirements

The district did not fund the debt service reserves (Bond account) in accordance with the bond agreements and the Bookkeeper failed to make regular monthly payments to the Replacement account as required. The Bookkeeper also improperly transferred \$52,910 of funds from the Bond account to the General account.

The 2001 Series A bond agreement indicated the district was required to fund a debt service reserve with \$343 monthly payments until it was fully funded at \$41,160. The 2001 Series B bond agreement indicated the district was required to fund a debt service reserve with \$147 in monthly payments until it was fully funded at \$17,640. Both reserves should have been fully funded by 2012. The 2015 bond agreement indicated the district was required to fund a debt service reserve with \$91 in monthly payments until it was fully funded at \$10,920 in 2025. During 2017, the Bookkeeper deposited \$2,028 to the Bond account for debt service reserves, but also improperly transferred \$50,450 to the General account instead of retaining that money in the account as required. The Bookkeeper improperly transferred an additional \$2,460 from the account in 2018.



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The following table reflects the district's cash balances in the Bond account (debt service reserves) compared to the required debt service reserves for the 3 bonds as of December 31, 2016, 2017, 2018, 2019, and 2020:

	Year Ended December 31,				
	2016	2017	2018	2019	2020
Bond account balance	\$ 50,691	2,269	5,816	10,336	10,352
Required balance for debt service reserves	60,438	61,530	62,622	63,714	64,806

The Bookkeeper also failed to sufficiently fund the Replacement account for replacement and extension requirements. Both 2001 bond agreements required the district to fund a replacement and extension account (Replacement account) with the same monthly payments (\$343 and \$147) after the debt service reserve was fully funded.

The following table reflects the cash balances in the Replacement account as compared to the required replacement and extension amounts<sup>17</sup> at December 31, 2016, 2017, 2018, 2019, and 2020.

	Year Ended December 31,				
	2016	2017	2018	2019	2020
Replacement account balance	\$ 2,945	2,248	4,154	6,970	6,981
Required balance of replacement and extension	\$ 32,340	38,220	44,100	49,980	55,860

Conclusion

Failure to comply with bond agreements could have put the district's financing at risk. Continued Board vacancies and the lack of independent leadership and accountability within the district allowed the noncompliance with bond requirements to occur without detection.

6.6 Record retention

The Bookkeeper and Board President did not maintain/retain and turn over to the City of Malden meeting minutes, policies, manual receipt slips, financial reports, bank statements, and supporting documentation for disbursements. During recorded interviews, former Board members indicated that the Board did have meeting minutes and financial reports were presented to the Board during some meetings. However, district officials failed to turn these records over to the City of Malden or the SAO, and the records could not be located.

<sup>17</sup> Amounts are calculated as the amount required if the district had fully funded the reserve accounts by 2012, as required.





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Record retention is necessary to ensure the validity of transactions and provide an audit trail. Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of records. Record retention schedules can be found on the Secretary of State's website.<sup>18</sup> It is unclear why records were not retained; however, the lack of records may have helped conceal the missing money and misappropriations discussed in MAR finding number 1.

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<sup>18</sup> Office of the Missouri Secretary of State Local Records Preservation Program, Missouri State Archives, *Missouri Local Government Records Management Guideline* <<https://www.sos.mo.gov/CMSImages/LocalRecords/MoLocGovRecMgmtGuides.pdf>>, accessed July 25, 2023.

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# Dunklin County Sewer District

## Organization and Statistical Information

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The Dunklin County Reorganized Sewer District No. 1 was a common sewer district organized and governed under Chapters 204 and 250, RSMo. The district was located in Malden, Missouri. The district was reorganized in 2012, and was later placed in receivership on March 5, 2021. The district served 253 customers in February 2021.

### Board of Trustees and Personnel

The 3 Board members in place as of January 1, 2017, acted as the policy and decision making body for the district's operations until November 2020, when 2 Board members resigned, leaving the Board President and his wife, the Bookkeeper, to operate the district until a receiver was appointed by the court. Board members receive no compensation. Members of the Board and key personnel from January 2017 to November 2020, were:

Korey Adams, President  
Darlene Schroepel, Board member  
Yevgeny Sokolov, Board member

Jennifer Adams, Bookkeeper

### Financial Activity

A summary of the district's financial activity obtained from bank statements for the years ended December 31, 2017, 2018, 2019, and 2020, follows.



## Dunklin County Sewer District Organization and Statistical Information

Dunklin County Sewer District  
Schedule of Receipts, Disbursements, and Changes in Cash  
January 1, 2017, to December 31, 2020

		Year Ended December 31, 2017				
		General	Bond	Deposit	Replacement	Total
		Accounts (1)	Accounts (2)	Account	Account	
<b>RECEIPTS</b>						
Receipts	\$	162,438	28	1,500	3	163,969
Transfers In		70,650	2,000	0	6,000	78,650
Total Receipts		233,088	2,028	1,500	6,003	242,619
<b>DISBURSEMENTS</b>						
Disbursements		230,200	0	1,740	0	231,940
Transfers Out		13,500	50,450	8,000	6,700	78,650
Total Disbursements		243,700	50,450	9,740	6,700	310,590
RECEIPTS OVER(UNDER) DISBURSEMENTS		(10,612)	(48,422)	(8,240)	(697)	(67,971)
CASH BALANCE, JANUARY 1, 2017		13,028	50,691	11,353	2,945	78,017
CASH BALANCE, DECEMBER 31, 2017	\$	2,416	2,269	3,113	2,248	10,046
		Year Ended December 31, 2018				
		General	Bond	Deposit	Replacement	Total
		Account (1)	Account (2)	Account	Account	
<b>RECEIPTS</b>						
Receipts	\$	175,657	7	1,900	6	177,570
Transfers In		6,460	6,000	100	6,000	18,560
Total Receipts		182,117	6,007	2,000	6,006	196,130
<b>DISBURSEMENTS</b>						
Disbursements		159,719	0	360	0	160,079
Transfers Out		12,000	2,460	0	4,100	18,560
Total Disbursements		171,719	2,460	360	4,100	178,639
RECEIPTS OVER(UNDER) DISBURSEMENTS		10,398	3,547	1,640	1,906	17,491
CASH BALANCE, JANUARY 1, 2018		2,416	2,269	3,113	2,248	10,046
CASH BALANCE, DECEMBER 31, 2018	\$	12,814	5,816	4,753	4,154	27,537
		Year Ended December 31, 2019				
		General	Bond	Deposit	Replacement	Total
		Account (1)	Account (2)	Account	Account	
<b>RECEIPTS</b>						
Receipts	\$	146,608	20	800	16	147,444
Transfers In		3,900	4,500	0	4,500	12,900
Total Receipts		150,508	4,520	800	4,516	160,344
<b>DISBURSEMENTS</b>						
Disbursements		152,293	0	40	0	152,333
Transfers Out		9,000	0	2,200	1,700	12,900
Total Disbursements		161,293	0	2,240	1,700	165,233
RECEIPTS OVER(UNDER) DISBURSEMENTS		(10,785)	4,520	(1,440)	2,816	(4,889)
CASH BALANCE, JANUARY 1, 2019		12,814	5,816	4,753	4,154	27,537
CASH BALANCE, DECEMBER 31, 2019	\$	2,029	10,336	3,313	6,970	22,648
		Year Ended December 31, 2020				
		General	Bond	Deposit	Replacement	Total
		Account (1)	Account (2)	Account	Account	
<b>RECEIPTS</b>						
Receipts	\$	201,615	16	0	11	201,642
Transfers In		0	0	0	0	0
Total Receipts		201,615	16	0	11	201,642
<b>DISBURSEMENTS</b>						
Disbursements		202,646	0	0	0	202,646
Transfers Out		0	0	0	0	0
Total Disbursements		202,646	0	0	0	202,646
RECEIPTS OVER(UNDER) DISBURSEMENTS		(1,031)	16	0	11	(1,004)
CASH BALANCE, JANUARY 1, 2020		2,029	10,336	3,313	6,970	22,648
CASH BALANCE, DECEMBER 31, 2020	\$	998	10,352	3,313	6,981	21,644

- (1) The district changed banks twice from January 1, 2017, through December 31, 2020, resulting in the usage of 4 different general accounts over that time period. The General Account shown includes activity from all 4 general accounts.
- (2) The district had a Bond account and a Bond Reserve account; however, the Bond Reserve account had no activity. Therefore, we combined the 2 accounts to reflect the total amount on hand for debt service reserves.

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# Dunklin County Sewer District

## Supporting Documentation of Missing and/or Misappropriated Money

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The following appendixes provide supporting documentation for the missing and/or misappropriated money discussed in MAR finding number 1 and are summarized in the following table:

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Appendix	Type of Supporting Documentation
A	State Auditor Subpoenas - Jennifer Adams
B	State Auditor Subpoenas - Korey Adams
C	State Auditor Subpoenas - Darlene Schroepfel
D	State Auditor Subpoenas - Yevgeny Sokolov
E	State Auditor Subpoenas - John Blackiston
F	State Auditor Subpoenas - Ryan Blankinship
G	Jennifer Adams Repayment Agreement
H	Payroll Overpayments to Bookkeeper
I	Unsupported and Questionable Payments to the Board President and Bookkeeper
J	Undeposited Sewer Security Deposits

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Appendix A  
Dunklin County Sewer District  
State Auditor Subpoenas - Jennifer Adams



OFFICE OF MISSOURI STATE AUDITOR


Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena has been redacted.

SUBPOENA

To: Jennifer Adams  
[Redacted]

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representatives, Meghan Luecke, Deputy General Counsel, Pamela Allison, Audit Manager, and James Kayser, Auditor In Charge, at the Dunklin County Library, 1203 Stokelan Dr., Malden, MO 63863, at 10 a.m. on August 16, 2022, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

ISSUED this 28th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_, 2022.

This subpoena was served on August 4, 2022 by a process serving company. See affidavit page.



Appendix A  
Dunklin County Sewer District  
State Auditor Subpoenas - Jennifer Adams



**OFFICE OF MISSOURI STATE AUDITOR**

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District from January 1, 2015 through March 31, 2021 .

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members during the board meetings, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix A  
Dunklin County Sewer District  
State Auditor Subpoenas - Jennifer Adams

**AFFIDAVIT OF SERVICE**

State of Missouri

County of

Office of Missouri State Auditor  
Court

Case Number: \_\_\_\_\_

Received by HPS Process Service & Investigations to be served on Jennifer Adams, [REDACTED]  
I, Randy Stone, being duly sworn, depose and say that on the 7  
day of August, 2022 at Lib m., executed service by delivering a true copy of the Subpoena and Exhibit  
A in accordance with state statutes in the manner marked below:

☒ INDIVIDUAL SERVICE: Served the above-named person.

☐ SUBSTITUTE RESIDENTIAL SERVICE: By delivering the service package to  
\_\_\_\_\_, as \_\_\_\_\_, at the above-named  
person's dwelling place or usual place of abode.

☐ OTHER SERVICE: As described in the Comments below.

☐ NON SERVICE: For the reason detailed in the Comments below.

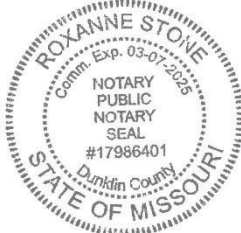
☐ MILITARY SERVICE: ☐ YES \_\_\_\_\_ BRANCH ☐ NO

COMMENTS: [REDACTED]  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I certify that I have no interest in the above action, am of legal age and have proper authority in the jurisdiction in  
which this service was made. I declare under penalty of perjury that the foregoing is true and correct.

Subscribed and Sworn to before me on the 8 day  
of August, 2022 by the affiant who is  
personally known to me.

Roxanne Stone  
NOTARY PUBLIC



[Signature]  
PROCESS SERVER # \_\_\_\_\_  
Appointed in accordance with State Statutes

HPS Process Service & Investigations  
www.hpsprocess.com  
1669 Jefferson  
Kansas City, MO 64108  
(800) 796-9559

Our Job Serial Number: 2022013228

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Appendix A  
Dunklin County Sewer District  
State Auditor Subpoenas - Jennifer Adams



Office of Missouri State Auditor

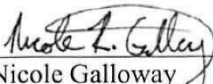
## SUBPOENA

To: Jennifer Adams  
[REDACTED]  
[REDACTED]

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative, James Kayser, at the Springfield State Office Building, 143 Park Central Square, Springfield, MO. 65806, at 12 p.m. on Tuesday, September 6, 2022, for purposes of providing testimony, and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of James Kayser at 143 Park Central Square, Springfield, MO. 65806, or email the records to james.kayser@auditor.mo.gov.

ISSUED this 17th day of August, 2022, pursuant to Section 29.235.4(1), of the Revised Statutes of Missouri.

  
\_\_\_\_\_  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by IN PERSON on this 22 day of AUGUST, 2022.

  
\_\_\_\_\_  
James C. Kayser





Appendix A  
Dunklin County Sewer District  
State Auditor Subpoenas - Jennifer Adams



**Office of Missouri State Auditor**

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District for the time period of January 2015 through March 2021.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.
4. Any and all documents related to your testimony during the interview held on August 22, 2022.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix B  
Dunklin County Sewer District  
State Auditor Subpoenas - Korey Adams



OFFICE OF MISSOURI STATE AUDITOR

Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena has been redacted.

SUBPOENA

To: **Korey Adams**  
**Former Board Trustee**



YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representatives, Meghan Luecke, Deputy General Counsel, Pamela Allison, Audit Manager, and James Kayser, Auditor In Charge, at the Dunklin County Library, 1203 Stokelan Dr., Malden, MO 63863, at 10 a.m. on August 16, 2022, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

ISSUED this 28th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_, 2022.

This subpoena was served on August 4, 2022 by a process serving company. See affidavit page.



Appendix B  
Dunklin County Sewer District  
State Auditor Subpoenas - Korey Adams



**OFFICE OF MISSOURI STATE AUDITOR**

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District from January 1, 2015 through March 31, 2021 .

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members during the board meetings, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbdrive drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix B  
Dunklin County Sewer District  
State Auditor Subpoenas - Korey Adams

**AFFIDAVIT OF SERVICE**

State of Missouri

County of

Office of Missouri State Auditor  
Court

Case Number: \_\_\_\_\_

Received by HPS Process Service & Investigations to be served on **Korey Adams, Former Board Trustee**, [REDACTED]  
on the 4 day of August, 2022 at 6:30 a.m., executed service by delivering a true copy of the  
Subpoena and Exhibit A in accordance with state statutes in the manner marked below:

☐ INDIVIDUAL SERVICE: Served the above-named person.

☒ SUBSTITUTE RESIDENTIAL SERVICE: By delivering the service package to  
Dannette Adams as Spouse, at the above-named  
person's dwelling place or usual place of abode.

☐ OTHER SERVICE: As described in the Comments below.

☐ NON SERVICE: For the reason detailed in the Comments below.

☐ MILITARY SERVICE: ☐ YES ☐ BRANCH ☐ NO

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I certify that I have no interest in the above action, am of legal age and have proper authority in the jurisdiction in  
which this service was made. I declare under penalty of perjury that the foregoing is true and correct.

Subscribed and Sworn to before me on the 4 day  
of August, 2022 by the affiant who is  
personally known to me.

Roxanne Stone  
NOTARY PUBLIC



[Signature]

PROCESS SERVER # \_\_\_\_\_  
Appointed in accordance with State Statutes

**HPS Process Service & Investigations**  
**www.hpsprocess.com**  
**1669 Jefferson**  
**Kansas City, MO 64108**  
**(800) 796-9559**

Our Job Serial Number: 2022013229

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Appendix B  
Dunklin County Sewer District  
State Auditor Subpoenas - Korey Adams



Office of Missouri State Auditor

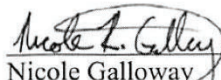
## SUBPOENA

To: **Korey Adams**  
**Former Board Trustee**  
[REDACTED]  
[REDACTED]

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative, James Kayser, at the Springfield State Office Building, 143 Park Central Square, Springfield, MO. 65806, at 1 p.m. on Tuesday, September, 6 2022, for purposes of providing testimony, and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of James Kayser at 143 Park Central Square, Springfield, MO. 65806, or email the records to james.kayser@auditor.mo.gov.

ISSUED this 17th day of August, 2022, pursuant to Section 29.235.4(1), of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by IN PERSON on this 22 day of AUGUST, 2022.







Appendix B  
Dunklin County Sewer District  
State Auditor Subpoenas - Korey Adams



**Office of Missouri State Auditor**

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District for the time period of January 2015 through March 2021.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.
4. Any and all documents related to your testimony during the interview held on August 22, 2022.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix C  
Dunklin County Sewer District  
State Auditor Subpoenas - Darlene Schroepfel



OFFICE OF MISSOURI STATE AUDITOR

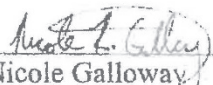
SUBPOENA

To: Darlene Schroepfel  
Former Board Trustee



YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representatives, Meghan Luecke, Deputy General Counsel, and James Kayser, Auditor in Charge, at the Dunklin County Library, 1203 Stokelan Dr., Malden, MO 63863, at 12 p.m. on August 1, 2022, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

ISSUED this 12th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by In Person on this 19 day of July, 2022.



Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena has been redacted.



Appendix C  
Dunklin County Sewer District  
State Auditor Subpoenas - Darlene Schroepfel

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members during the board meetings, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.





OFFICE OF MISSOURI STATE AUDITOR

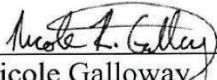
SUBPOENA

To: Darlene Schroepfel  
Former Board Trustee

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative, James Kayser, at the Springfield State Office Building, 143 Park Central Square, Springfield, MO. 65806, at 11 a.m. on August 15, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of James Kayser at 143 Park Central Square, Springfield, MO. 65806, or email the records to james.kayser@auditor.mo.gov.

ISSUED this 28th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by HAND DELIVERY on this 1<sup>st</sup> day of AUGUST, 2022.





## OFFICE OF MISSOURI STATE AUDITOR

### EXHIBIT A

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District for the time period of January 2015 through March 2021.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.
4. Any and all documents related to your testimony during the interview held on August 1, 2022.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix D  
Dunklin County Sewer District  
State Auditor Subpoenas - Yevgeny Sokolov



OFFICE OF MISSOURI STATE AUDITOR

SUBPOENA

To: Yevgeny Sokolov  
Former Board Trustee




YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representatives, Meghan Luecke, Deputy General Counsel, and James Kayser, Auditor in Charge, at the Dunklin County Library, 1203 Stokelan Dr., Malden, MO 63863, at 2 p.m. on August 1, 2022, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

ISSUED this 12th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by Fa Person on this 18 day of July, 2022.



Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena has been redacted.



Appendix D  
Dunklin County Sewer District  
State Auditor Subpoenas - Yevgeny Sokolov

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members during the board meetings, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.





OFFICE OF MISSOURI STATE AUDITOR

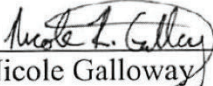
SUBPOENA

To: Yevgeny Sokolov  
Former Board Trustee

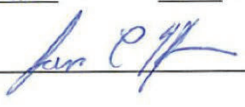
YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative, James Kayser, at the Springfield State Office Building, 143 Park Central Square, Springfield, MO. 65806, at 12 p.m. on August 15, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of James Kayser at 143 Park Central Square, Springfield, MO. 65806, or email the records to james.kayser@auditor.mo.gov.

ISSUED this 28th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by HANS BREUNER on this 1<sup>st</sup> day of AUGUST, 2022.





## OFFICE OF MISSOURI STATE AUDITOR

### **EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District for the time period of January 2015 through March 2021.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.
4. Any and all documents related to your testimony during the interview held on August 1, 2022.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix E  
Dunklin County Sewer District  
State Auditor Subpoenas - John Blackiston



OFFICE OF MISSOURI STATE AUDITOR

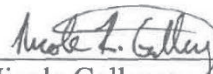
SUBPOENA

To: John Blackiston  
Former Board Trustee

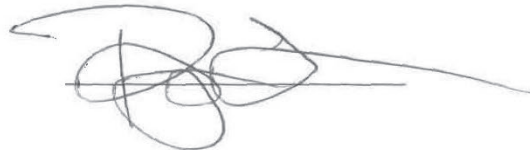


YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representatives, Meghan Luecke, Deputy General Counsel, and James Kayser, Auditor in Charge, at the Dunklin County Library, 1203 Stokelan Dr., Malden, MO 63863, at 10 a.m. on August 1, 2022, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

ISSUED this 13th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by In Person on this 18 day of July, 2022.



Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena has been redacted.



Appendix E  
Dunklin County Sewer District  
State Auditor Subpoenas - John Blackiston

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members during the board meetings, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.





OFFICE OF MISSOURI STATE AUDITOR


SUBPOENA

To: **John Blackiston**  
**Former Board Trustee**

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor at the Springfield State Office Building, 143 Park Central Square, Springfield, MO. 65806, at 10 a.m. on Monday, August 15, 2022, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of James Kayser at 143 Park Central Square, Springfield, MO. 65806, or email the records to james.kayser@auditor.mo.gov.

ISSUED this 28th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by Hand Delivered on this 1<sup>st</sup> day of AUGUST, 2022.





## OFFICE OF MISSOURI STATE AUDITOR

### **EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District for the time period of January 2015 through March 2021.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.
4. Any and all documents related to your testimony during the interview held on August 1, 2022.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix F  
Dunklin County Sewer District  
State Auditor Subpoenas - Ryan Blankinship

Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena has been redacted.



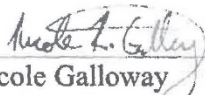
OFFICE OF MISSOURI STATE AUDITOR

SUBPOENA

To: Ryan Blankinship

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representatives, Meghan Luecke, Deputy General Counsel, and James Kayser, Auditor in Charge, at the Dunklin County Library, 1203 Stokelan Dr., Malden, MO 63863, at 4 p.m. on August 1, 2022, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

ISSUED this 12th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by In Person on this 19 day of July, 2022.





Appendix F  
Dunklin County Sewer District  
State Auditor Subpoenas - Ryan Blankinship

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all board minutes and financial statements given to board members during the board meetings, which pertain to the Dunklin County Sewer District.
3. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.





Appendix F  
Dunklin County Sewer District  
State Auditor Subpoenas - Ryan Blankinship



OFFICE OF MISSOURI STATE AUDITOR

SUBPOENA

To: Ryan Blankinship  
[REDACTED]  
[REDACTED]

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative, James Kayser, at the Springfield State Office Building, 143 Park Central Square, Springfield, MO. 65806, at 1 p.m. on August 15, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of James Kayser at 143 Park Central Square, Springfield, MO. 65806, or email the records to james.kayser@auditor.mo.gov.

ISSUED this 28th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by HIND BREUSCH on this 1<sup>st</sup> day of AUGUST, 2022.



**OFFICE OF MISSOURI STATE AUDITOR**

**EXHIBIT A**

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the Dunklin County Sewer District for the time period of January 2015 through March 2021.

This request includes, but is not limited to, the following:

1. Any and all payroll records, timesheets, and invoices related to the Dunklin County Sewer District.
2. Any and all copies of regulations, rules, procedures, and policies related to the Dunklin County Sewer District.
3. Any and all documents related to your testimony during the interview held on August 1, 2022.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbdrive drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix G  
Dunklin County Sewer District  
Jennifer Adams Repayment Agreement

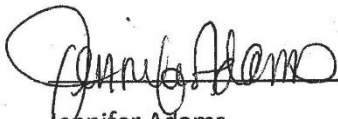
## PAYMENT AGREEMENT

I, Jennifer Adams, promise to pay to the order of Dunklin Country Sewer District #1 the amount of \$27,892.12 within one year from which this contract is signed and dated by both parties. These monies are due to Dunklin County Sewer District #1 for overpayment of services rendered.

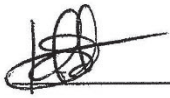
The agreement is to pay at least \$1,200.00 monthly with a balloon payment of \$13,492.12 if not paid within the 12 month period.

I understand that if payments are not made and note paid in full by the due date, said agreement will be turned over to an attorney for collection and or prosecution.


IN WITNESS WHEREOF, this Agreement has been executed and delivered by all parties involved.

  
Jennifer Adams

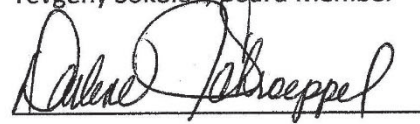
4/14/18  
Date

  
Korey Adams, President

4-14-18  
Date

  
Yevgeny Sokolov, Board Member

4-14-18  
Date

  
Darlene Schroepel, Secretary

4/14/18  
Date



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Nodaway County, Missouri

The Office of the State Auditor contracted for an audit of Nodaway County's financial statements for the year ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized, with the first letters of the first and last names being prominent.

Scott Fitzpatrick  
State Auditor

October 2023  
Report No. 2023-072



ANNUAL FINANCIAL REPORT

**NODAWAY COUNTY, MISSOURI**

For the Year Ended  
December 31, 2022

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

# NODAWAY COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

NODAWAY COUNTY, MISSOURI  
List of Elected Officials 2022

*County Commission*

Presiding Commissioner – Bill Walker

Commissioner, Northern District – Chris Burns

Commissioner, Southern District – Scott A. Walk

*Other Elected Officials*

Assessor – Rex Wallace

Circuit Clerk – Elaine Wilson

Collector/Treasurer – Marilyn Jenkins

County Clerk – Melinda Patton

Coroner – Vince Shelby

Prosecuting Attorney – Caleb Phillips

Public Administrator – Dee O’Riley

Recorder – Lisa Nickerson

Sheriff – Randy Strong

## **FINANCIAL SECTION**

4151 N. Mulberry Drive, Suite 275  
Kansas City, Missouri 64116  
T: (816) 221.4559  
F: (816) 221.4563  
E: [Admin@McBrideLock.com](mailto:Admin@McBrideLock.com)

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Nodaway County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Nodaway County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Nodaway County, Missouri, as of December 31, 2022, and their respective cash receipts and disbursements, and budgetary results for the year then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Nodaway County, Missouri, as of December 31, 2022, or the changes in financial position thereof for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Nodaway County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Nodaway County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Nodaway County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Nodaway County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 22, 2023, on our consideration of Nodaway County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Nodaway County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 22, 2023



NODAWAY COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
- ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

Fund	Cash and Investments January 1	Receipts	Disbursements	Cash and Investments December 31
General Revenue	\$ 6,129,251	\$ 5,333,861	\$ 4,858,543	\$ 6,604,569
Special Road & Bridge	480,971	2,544,304	2,386,367	638,908
Assessment	739,958	448,831	353,624	835,165
Election Shares	33,944	3,014	2,244	34,714
Tax Incentive Payment	3,590	-	-	3,590
Police Officer Training	9,713	3,300	1,872	11,141
Prosecuting Attorney Training	7,513	2,926	662	9,777
911	30,222	96,814	103,912	23,124
Adult Abuse	1,950	2,357	1,950	2,357
Nuclear Accident Emergency Preparation	32,368	-	-	32,368
Local Emergency Preparation	22,169	-	-	22,169
Senior Citizen	40,220	208,045	190,060	58,205
Concealed Weapon	59,459	4,161	3,152	60,468
Civil Fee	71,021	23,546	11,916	82,651
Recorder User Fee	28,970	11,540	3,957	36,553
Tax Maintenance	7,713	44,648	15,016	37,345
Administrative Handling	2,231	588	45	2,774
Inmate Security	17,897	7,021	1,367	23,551
Commissary Commissions	40,217	22,667	5,103	57,781
Administrative Building	1,743,990	734,277	525,105	1,953,162
Road & Bridge Special	906,433	1,456,987	1,480,922	882,498
Northwest Child Advocacy Center	(13,654)	148,577	134,923	-
ARPA	2,017,007	2,150,720	1,290,912	2,876,815
Senate Bill 40 Board	41,673	219,271	201,470	59,474
Total	<u>\$ 12,454,826</u>	<u>\$ 13,467,455</u>	<u>\$ 11,573,122</u>	<u>\$ 14,349,159</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

NODAWAY COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
 - BUDGET AND ACTUAL - REGULATORY BASIS  
 YEAR ENDED DECEMBER 31, 2022

	GENERAL REVENUE FUND	
	<u>Budget</u>	<u>Actual</u>
RECEIPTS		
Property taxes	\$ -	\$ -
Sales taxes	3,081,350	3,512,452
Intergovernmental	979,900	479,559
Charges for services	939,860	1,238,178
Interest	29,000	52,181
Other	292,415	51,491
Transfers in	655,000	-
Total Receipts	<u>\$ 5,977,525</u>	<u>\$ 5,333,861</u>
DISBURSEMENTS		
County Commission	\$ 200,290	\$ 200,579
County Clerk	203,945	210,151
Elections	121,755	116,340
Buildings and grounds	270,465	146,224
Employee fringe benefits	5,400	5,079
Treasurer	271,060	256,686
Collector	-	-
Recorder of Deeds	195,578	149,367
Circuit Court	50,930	17,623
Court Administration	6,050	3,429
Public Administrator	96,405	94,539
Sheriff	1,231,436	1,187,064
Jail	855,200	686,857
Prosecuting Attorney	460,745	424,968
Juvenile Officer	82,200	76,866
Coroner	57,990	53,345
Other County government	979,581	956,895
Health and Welfare	23,050	22,531
Transfers out	680,000	250,000
Emergency fund	173,365	-
Total Disbursements	<u>\$ 5,965,445</u>	<u>\$ 4,858,543</u>
RECEIPTS OVER (UNDER)		
DISBURSEMENTS	\$ 12,080	\$ 475,318
CASH AND INVESTMENTS, JANUARY 1	<u>6,192,335</u>	<u>6,129,251</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 6,204,415</u></u>	<u><u>\$ 6,604,569</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

NODAWAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SPECIAL ROAD & BRIDGE FUND		ASSESSMENT FUND		ELECTION SHARES FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ 185,000	\$ 199,563	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	1,705,675	2,049,339	405,000	47,965	-	-
Charges for services	-	18,095	-	385,568	-	-
Interest	2,250	4,144	6,000	4,261	120	205
Other	50,750	23,163	21,500	11,037	3,200	2,809
Transfers in	250,000	250,000	-	-	-	-
Total Receipts	<u>\$ 2,193,675</u>	<u>\$ 2,544,304</u>	<u>\$ 432,500</u>	<u>\$ 448,831</u>	<u>\$ 3,320</u>	<u>\$ 3,014</u>
DISBURSEMENTS						
Salaries	\$ 242,000	\$ 211,584	\$ 234,010	\$ 223,753	\$ -	\$ -
Employee fringe benefits	138,013	121,812	85,503	73,107	-	-
Materials and supplies	820,720	686,581	18,037	10,117	-	-
Services and other	90,700	51,710	63,950	21,033	-	1,542
Capital outlay	100,000	44,090	31,000	25,614	10,000	702
Construction	1,300,843	1,270,590	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,692,276</u>	<u>\$ 2,386,367</u>	<u>\$ 432,500</u>	<u>\$ 353,624</u>	<u>\$ 10,000</u>	<u>\$ 2,244</u>
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (498,601)	\$ 157,937	\$ -	\$ 95,207	\$ (6,680)	\$ 770
CASH AND INVESTMENTS, JANUARY 1	480,971	480,971	739,958	739,958	33,944	33,944
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ (17,630)</u>	<u>\$ 638,908</u>	<u>\$ 739,958</u>	<u>\$ 835,165</u>	<u>\$ 27,264</u>	<u>\$ 34,714</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

NODAWAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	TAX INCENTIVE PAYMENT FUND		POLICE OFFICER TRAINING FUND		PROSECUTING ATTORNEY TRAINING FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	3,400	3,300	2,800	2,926
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ -	\$ -	\$ 3,400	\$ 3,300	\$ 2,800	\$ 2,926
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	200	-	3,600	1,872	2,500	662
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 200	\$ -	\$ 3,600	\$ 1,872	\$ 2,500	\$ 662
RECEIPTS OVER (UNDER)	\$ (200)	\$ -	\$ (200)	\$ 1,428	\$ 300	\$ 2,264
DISBURSEMENTS						
CASH AND INVESTMENTS, JANUARY 1	3,590	3,590	9,713	9,713	7,513	7,513
CASH AND INVESTMENTS, DECEMBER 31	\$ 3,390	\$ 3,590	\$ 9,513	\$ 11,141	\$ 7,813	\$ 9,777

The accompanying Notes to the Financial Statements are an integral part of these statements.

NODAWAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	911 FUND		ADULT ABUSE FUND		NAEP FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	104,000	92,854	1,950	2,357	-	-
Interest	180	268	-	-	-	-
Other	4,200	3,692	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 108,380	\$ 96,814	\$ 1,950	\$ 2,357	\$ -	\$ -
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	105,800	103,912	1,950	1,950	500	-
Capital outlay	-	-	-	-	8,000	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 105,800	\$ 103,912	\$ 1,950	\$ 1,950	\$ 8,500	\$ -
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ 2,580	\$ (7,098)	\$ -	\$ 407	\$ (8,500)	\$ -
CASH AND INVESTMENTS, JANUARY 1	30,222	30,222	1,950	1,950	32,368	32,368
CASH AND INVESTMENTS, DECEMBER 31	\$ 32,802	\$ 23,124	\$ 1,950	\$ 2,357	\$ 23,868	\$ 32,368

The accompanying Notes to the Financial Statements are an integral part of these statements.

NODAWAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	LEP FUND		SENIOR CITIZEN FUND		CONCEALED WEAPON FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ 176,000	\$ 207,509	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	150	478	-	-
Charges for services	4,200	-	-	-	10,000	3,736
Interest	-	-	65	58	250	425
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 4,200	\$ -	\$ 176,215	\$ 208,045	\$ 10,250	\$ 4,161
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	60	700	583
Services and other	5,842	-	190,100	190,000	1,700	1,573
Capital outlay	-	-	-	-	9,900	996
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 5,842	\$ -	\$ 190,100	\$ 190,060	\$ 12,300	\$ 3,152
RECEIPTS OVER (UNDER)	\$ (1,642)	\$ -	\$ (13,885)	\$ 17,985	\$ (2,050)	\$ 1,009
DISBURSEMENTS						
CASH AND INVESTMENTS, JANUARY 1	22,169	22,169	40,220	40,220	59,459	59,459
CASH AND INVESTMENTS, DECEMBER 31	\$ 20,527	\$ 22,169	\$ 26,335	\$ 58,205	\$ 57,409	\$ 60,468

The accompanying Notes to the Financial Statements are an integral part of these statements.

NODAWAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	CIVIL FEE FUND		RECORDER USER FEE FUND		TAX MAINTENANCE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	20,000	23,546	13,500	11,540	25,000	44,648
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 20,000</u>	<u>\$ 23,546</u>	<u>\$ 13,500</u>	<u>\$ 11,540</u>	<u>\$ 25,000</u>	<u>\$ 44,648</u>
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	2,000	551	21,000	13,020
Services and other	16,000	4,447	-	-	1,500	1,331
Capital outlay	16,000	7,469	7,000	3,406	1,500	665
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 32,000</u>	<u>\$ 11,916</u>	<u>\$ 9,000</u>	<u>\$ 3,957</u>	<u>\$ 24,000</u>	<u>\$ 15,016</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (12,000)	\$ 11,630	\$ 4,500	\$ 7,583	\$ 1,000	\$ 29,632
<b>CASH AND INVESTMENTS, JANUARY 1</b>	<u>71,021</u>	<u>71,021</u>	<u>28,970</u>	<u>28,970</u>	<u>7,713</u>	<u>7,713</u>
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	<u>\$ 59,021</u>	<u>\$ 82,651</u>	<u>\$ 33,470</u>	<u>\$ 36,553</u>	<u>\$ 8,713</u>	<u>\$ 37,345</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

NODAWAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	ADMINISTRATIVE HANDLING FUND		INMATE SECURITY FUND		COMMISSARY COMMISSIONS FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	2,000	2,324	-	-
Charges for services	550	570	5,000	4,697	14,000	22,667
Interest	20	18	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 570</u>	<u>\$ 588</u>	<u>\$ 7,000</u>	<u>\$ 7,021</u>	<u>\$ 14,000</u>	<u>\$ 22,667</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	20,000	-
Services and other	1,450	45	6,900	1,367	-	-
Capital outlay	500	-	2,200	-	20,000	5,103
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,950</u>	<u>\$ 45</u>	<u>\$ 9,100</u>	<u>\$ 1,367</u>	<u>\$ 40,000</u>	<u>\$ 5,103</u>
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (1,380)	\$ 543	\$ (2,100)	\$ 5,654	\$ (26,000)	\$ 17,564
CASH AND INVESTMENTS, JANUARY 1	<u>2,231</u>	<u>2,231</u>	<u>17,897</u>	<u>17,897</u>	<u>40,217</u>	<u>40,217</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 851</u>	<u>\$ 2,774</u>	<u>\$ 15,797</u>	<u>\$ 23,551</u>	<u>\$ 14,217</u>	<u>\$ 57,781</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



NODAWAY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	ADMINISTRATIVE BUILDING FUND		ROAD & BRIDGE SPECIAL FUND		NORTHWEST CHILD ADVOCACY CENTER FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ 630,000	\$ 723,985	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	1,490,450	1,456,987	-	-
Intergovernmental	-	-	-	-	191,905	148,577
Charges for services	-	-	-	-	-	-
Interest	4,200	10,292	1,400	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 634,200	\$ 734,277	\$ 1,491,850	\$ 1,456,987	\$ 191,905	\$ 148,577
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 85,480	\$ 43,045
Employee fringe benefits	-	-	-	-	18,899	12,880
Materials and supplies	12,000	9,031	-	-	9,680	3,551
Services and other	433,410	439,313	-	-	20,742	3,875
Capital outlay	1,000	-	-	-	45,700	71,572
Construction	95,000	76,761	1,600,000	1,480,922	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 541,410	\$ 525,105	\$ 1,600,000	\$ 1,480,922	\$ 180,501	\$ 134,923
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 92,790	\$ 209,172	\$ (108,150)	\$ (23,935)	\$ 11,404	\$ 13,654
CASH AND INVESTMENTS, JANUARY 1	1,743,990	1,743,990	906,433	906,433	(13,654)	(13,654)
CASH AND INVESTMENTS, DECEMBER 31	\$ 1,836,780	\$ 1,953,162	\$ 798,283	\$ 882,498	\$ (2,250)	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

NODAWAY COUNTY, MISSOURI  
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
 - BUDGET AND ACTUAL - REGULATORY BASIS  
 YEAR ENDED DECEMBER 31, 2022

	ARPA FUND		SENATE BILL 40 BOARD FUND	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ -	\$ -	\$ 198,690	\$ 216,225
Sales taxes	-	-	-	-
Intergovernmental	2,145,556	2,145,556	-	-
Charges for services	-	-	3,000	3,006
Interest	3,000	5,164	20	40
Other	-	-	-	-
Transfers in	-	-	-	-
Total Receipts	<u>\$ 2,148,556</u>	<u>\$ 2,150,720</u>	<u>\$ 201,710</u>	<u>\$ 219,271</u>
DISBURSEMENTS				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-
Materials and supplies	-	-	1,250	869
Services and other	4,162,792	1,290,912	201,820	200,601
Capital outlay	-	-	-	-
Construction	-	-	-	-
Transfers out	-	-	-	-
Total Disbursements	<u>\$ 4,162,792</u>	<u>\$ 1,290,912</u>	<u>\$ 203,070</u>	<u>\$ 201,470</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (2,014,236)	\$ 859,808	\$ (1,360)	\$ 17,801
CASH AND INVESTMENTS, JANUARY 1	<u>2,017,007</u>	<u>2,017,007</u>	<u>41,673</u>	<u>41,673</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 2,771</u>	<u>\$ 2,876,815</u>	<u>\$ 40,313</u>	<u>\$ 59,474</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

NODAWAY COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

Fund/Account	Cash and Investments January 1	Receipts	Disbursements	Cash Investments December 31
Treasurer Surplus Land	10,744	41	-	10,785
Treasurer Unclaimed Fees	7,400	1,777	-	9,177
Treasurer Common School	35,893	143,298	138,445	40,746
Treasurer Intangible Tax	62,547	442	62,989	-
Treasurer CERF Account	-	334,239	328,664	5,575
Treasurer Treatment Court	36,595	8,192	3,580	41,207
Treasurer Sheriff Deputy Salary Supplemental	-	6,960	6,960	-
Treasurer Tax Increment Financing	-	-	-	-
Treasurer Juvenile Justice Preservation	10,937	18,751	29,688	-
Treasurer's Flex Spending Account	21,696	24,158	29,189	16,665
Treasurer's CDBG Account	-	243,595	243,595	-
Treasurer's Equitable Sharing	-	-	-	-
Collector Main	22,618,702	27,834,643	27,244,312	23,209,033
Collector ROA	5,323	24,455	25,115	4,663
Collector Bankruptcy	352	-	-	352
Sheriff General	2,647	33,132	33,642	2,137
Sheriff Board of Prisoners	645	33,171	32,868	948
Sheriff Stellar Commissary	41,450	106,588	110,126	37,912
Sheriff Commissary	3,043	-	41	3,002
Recorder	17,283	140,929	148,671	9,541
Public Administrator	1,053,695	821,331	803,447	1,071,579
Total	<u>\$ 23,928,952</u>	<u>\$ 29,775,702</u>	<u>\$ 29,241,332</u>	<u>\$ 24,463,322</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

NODAWAY COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nodaway County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are nine elected Constitutional Officers: Assessor, Circuit Clerk, Collector/Treasurer, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder and Sheriff.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Nodaway County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. However, the County budgeted a negative ending fund balance for the Special Road and Bridge Fund and Northwest Child Advocacy Center Fund in 2022.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in October and November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022, for purposes of taxation were:

Real Estate	\$ 270,343,530
Personal Property	105,375,680
Railroad and Utilities	<u>42,189,562</u>
Total	<u>\$ 417,908,772</u>

For calendar year 2022, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

General Revenue	\$ 0.1600
Senate Bill 40 Board	0.0497
Senior Citizens	0.0497

The property taxes collected from the General Revenue levy are recorded in the Administrative Center Fund. Property tax receipts were recorded in the Special Road and Bridge Fund based on a percentage allocation of township tax collections of \$.0500 per \$100 of assessed valuation.

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 14,079,537	\$ 14,105,156	\$ 8,481,415
Investments - Governmental Funds	<u>269,622</u>	<u>269,622</u>	<u>269,622</u>
Total Governmental Funds	<u>\$ 14,349,159</u>	<u>\$ 14,374,778</u>	<u>\$ 8,751,037</u>
Cash and Cash Equivalents - Fiduciary Funds	\$ 23,838,291	\$ 16,683,869	\$ 15,632,916
Investments - Fiduciary Funds	<u>625,031</u>	<u>625,031</u>	<u>625,031</u>
Total Fiduciary Funds	<u>\$ 24,463,322</u>	<u>\$ 17,308,900</u>	<u>\$ 16,257,947</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

## 3. COUNTY EMPLOYEES' RETIREMENT PLANS

### A. Missouri Local Government Employees Retirement System (LAGERS)

#### 1) Plan Description

Nodaway County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665,



Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

## 2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

## 3) Funding Policy

Full-time employees of Nodaway County contribute 4% to the pension plan. The June 30th statutorily required contribution rates were 6.8% (General) and 8.9% (Police) of annual covered payroll for 2022. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the year ended December 31, 2022, full time employees of the County contributed \$98,491 and the County contributed \$181,204 to LAGERS.

## B. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

### 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.



Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

### 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. The County has elected not to make contributions on behalf of employees. During 2022, the County collected and remitted to CERF employee withholdings of \$94,458 for the year then ended.

### C. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$12,113 for the year ended December 31, 2022.

### D. Other Retirement Plan

Nodaway County has a voluntary 457(b) plan which is paid by a deduction from employee's salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2022, were \$52,637.

## 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

## 5. CLAIMS, COMMITMENT AND CONTINGENCIES

### A. Compensated Absences

The County provides full-time employees with up to 60 days of sick time, to accrue at one day per complete calendar month of employment. Upon termination, the employee will not be

compensated for any unused sick time. Vacation time is accrued for full-time regular employees after a six-month probationary period based on years of employment with the County. During the first two years, employees are eligible for two weeks of vacation per year (up to 80 hours), three weeks during years three through eight (up to 120 hours), four weeks during years nine through twelve (up to 160 hours), and five weeks from years thirteen and on (up to 200 hours). Vacation is accrued on a monthly basis and is awarded retroactively for the six-month probationary period for all employees lasting longer than six months. Upon termination, the employee is compensated for accrued vacation time at the employee's final rate of pay.

#### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

### 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body. The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections which are intended to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

### 7. LONG-TERM DEBT

The County entered into a loan with U.S. Bank dated June 1, 2008, for the construction of an administrative building. The remaining balance on the loan at December 31, 2022 was \$1,714,470. The loan has an interest rate of 4.85% and is due in monthly payments of \$29,652 until June 1, 2028. Future payments on the loan are as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 278,819	\$ 77,008	\$ 355,827
2024	292,646	63,181	355,827
2025	307,159	48,668	355,827
2026	322,392	33,435	355,827
2027	338,381	17,446	355,827
2028	175,073	2,481	177,554
Totals	<u>\$ 1,714,470</u>	<u>\$ 242,219</u>	<u>\$ 1,956,689</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
U.S. Bank Loan	\$ 1,980,115	\$ -	\$(265,645)	\$1,714,470	\$90,182

#### 8. OPERATING LEASES

At December 31, 2022, the County has five non-cancellable 60-month leases. The Circuit Clerk's office has a 60-month lease for a copier through August 2025 with a monthly payment of \$180, and a 60-month lease for a postage machine through February 2027 with a monthly payment of \$77. The Prosecuting Attorney's office has a 60-month lease for a copier through July 2026 with a monthly payment of \$196, and a 60-month lease for a postage machine through October 2023 with a monthly payment of \$58. The Collector/Treasurer's office has a 60-month lease for a postage machine through November 2026 with a monthly payment of \$66.

Fiscal Year Ending December 31,	Amount
2023	\$ 6,808
2024	6,228
2025	5,508
2026	3,019
2027	153

#### 9. RELATED PARTIES

The Northern District Commissioner receives rent payments from the County for use of a commercial building located at 305 North Market Street, Maryville, Missouri. The building is rented out to the Missouri State Public Defender's Office. Rent is paid by Andrew, Holt, Atchison, Gentry, Worth, and Nodaway County with the rent being proportionate to the size of the County. For 2022, Nodaway County paid rent in the amount of \$14,322.

## 10. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 22, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission and  
Officeholders of Nodaway County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Nodaway County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements, which collectively comprise Nodaway County, Missouri's basic financial statements and have issued our report thereon dated August 22, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Nodaway County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Nodaway County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Nodaway County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Nodaway County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 22, 2023

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Nodaway County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Nodaway County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Nodaway County, Missouri's major federal programs for the year ended December 31, 2022. Nodaway County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Nodaway County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Nodaway County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Nodaway County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Nodaway County, Missouri's federal programs.



## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Nodaway County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Nodaway County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Nodaway County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Nodaway County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Nodaway County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 22, 2023

NODAWAY COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures
	U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
14.228	Passed through Missouri Department of Economic Development - Community Development Block Grants	2018-PF-07	\$ 243,595
	U. S. DEPARTMENT OF JUSTICE		
	Direct programs -		
16.607	Public Safety Partnership and Community Policing Grants	n/a	3,500
16.922	Equitable Sharing of Seized and Forfeited Property	n/a	695
	Passed through Missouri Department of Public Safety		
16.540	Juvenile Justice and Delinquency Prevention	n/a	29,688
16.575	Crime Victim Assistance	n/a	39,857
16.034	Crimes Against Children/Sex Crimes	1020-VD-BX-022	134,923
	U. S. DEPARTMENT OF TRANSPORTATION		
	Passed through Missouri Department of Transportation -		
20.205	Highway Planning and Construction	BRO-B074(62)	563,685
	U. S. DEPARTMENT OF TREASURY		
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	n/a	1,290,912
	ELECTION ASSISTANCE COMMISSION		
	Passed through Missouri Office of Secretary of State		
90.401	Help America Vote Act Requirements Payments	n/a	5,847
	Total Expenditures of Federal Awards		<u>\$ 2,312,702</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**NODAWAY COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Nodaway County, Missouri for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUBRECIPIENTS**

The County did not pass any federal awards through to subrecipients during the year ended December 31, 2022.

NODAWAY COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2022

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported
- Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?      Yes   X   No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

**SECTION II – FINANCIAL STATEMENTS FINDINGS**

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

None

**ITEMS OF NONCOMPLIANCE**

None

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

NODAWAY COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Nodaway County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2021.

There were no findings noted in the prior audit report.

4151 N. Mulberry Drive, Suite 275  
Kansas City, Missouri 64116  
T: (816) 221.4559  
F: (816) 221.4563  
E: [Admin@McBrideLock.com](mailto:Admin@McBrideLock.com)

## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

August 22, 2023

To the County Commission and Officeholders  
Nodaway County, Missouri

We have audited the accompanying financial statements of Nodaway County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 5, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Nodaway County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Nodaway County, Missouri during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.



### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 22, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Nodaway County, Missouri's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Nodaway County, Missouri's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompanies the financial statements but is not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We

compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Nodaway County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Grundy County, Missouri

The Office of the State Auditor contracted for an audit of Grundy County's financial statements for the year ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized, with the first name "S." and the last name "Fitzpatrick" written in a cursive script.

Scott Fitzpatrick  
State Auditor

October 2023  
Report No. 2023-071



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

### Recommendations in the contracted audit of Grundy County

2022-001

The county implement internal controls to ensure that the Schedule of Expenditures of Federal Awards (SEFA) completely and accurately state the expenditures of federal awards of the county each year, such as performing a reconciliation between the SEFA and underlying accounting records. Federal reimbursement grants should be reported on the SEFA based on reimbursable expenditures made during the year.

ANNUAL FINANCIAL REPORT

**GRUNDY COUNTY, MISSOURI**

For the Year Ended  
December 31, 2022

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

KANSAS CITY

# GRUNDY COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

GRUNDY COUNTY, MISSOURI  
List of Elected Officials 2022

*County Commission*

Presiding Commissioner – Phillip Ray

Commissioner, First District – Don Sager

Commissioner, Eastern District – Brad Chumbley

*Other Elected Officials*

Assessor – Nathaniel Curtis

Circuit Clerk/Recorder – Becky Stanturf

Collector/Treasurer – Barbara Harris

County Clerk – Betty Spickard

Coroner – Dewayne Slater

Prosecuting Attorney – Kelly W. Puckett

Public Administrator – Adria Moore

Sheriff – Rodney W. Herring



## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Grundy County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Grundy County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Grundy County, Missouri, as of December 31, 2022, and their respective cash receipts and disbursements, and budgetary results for the year then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Grundy County, Missouri, as of December 31, 2022, or the changes in financial position thereof for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Grundy County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Grundy County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Grundy County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Grundy County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 9, 2023, on our consideration of Grundy County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Grundy County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 9, 2023

GRUNDY COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
- ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

Fund	Cash and Investments January 1	Receipts	Disbursements	Cash and Investments December 31
General Revenue	\$ 704,097	\$ 1,440,453	\$ 1,724,774	\$ 419,776
Special Road & Bridge	472,397	663,258	866,652	269,003
Assessment	93,941	197,603	155,192	136,352
Ambulance	2,119,772	1,494,223	1,977,897	1,636,098
Law Enforcement Center	166,800	852,052	766,778	252,074
Juvenile Programs	28,355	57,478	58,121	27,712
Juvenile Restitution	1,129	174	-	1,303
Emergency Management Agency	1,769	4,067	5,732	104
Law Enforcement Restitution	21,646	9,989	20,104	11,531
Record Preservation	8,080	4,438	4,469	8,049
Prosecuting Attorney Training	3,486	1,302	813	3,975
Law Enforcement Training	608	1,470	1,630	448
Sheriff Revolving	7,662	2,534	4,412	5,784
Inmate Security	10,654	22,160	19,655	13,159
P.A. Delinquent Sales Tax	786	2	-	788
Deputy Salary	(268)	6,312	7,469	(1,425)
Prosecuting Attorney Bad Check	20,134	4,490	8,453	16,171
Election Services	22,595	38,383	8,886	52,092
Civil Fee	4,236	8,407	8,801	3,842
Recorder's Technology	733	2,383	3,660	(544)
Victims of Domestic Violence	167	511	500	178
911	185,625	703,192	688,528	200,289
Tax Maintenance	42,210	22,403	9,455	55,158
Drug Court Local	42,623	37,943	33,253	47,313
Drug Court Federal	(91)	118,714	123,641	(5,018)
Cemeteries	68,964	3,588	2,845	69,707
Fred Fitch Trust	7,595	1,402	-	8,997
Crippled Children Trust	7,744	97	-	7,841
Cemetery CD's	150,000	-	-	150,000
Fred Fitch Trust CD's	131,423	-	-	131,423
Crippled Children Trust CD's	7,000	-	-	7,000
ARPA	956,881	957,447	956,518	957,810
River Bank Stabilization	52,073	644,835	696,908	-
Opioid Settlement	-	25,462	-	25,462
Senior Citizens Tax Board	1,341	68,695	68,614	1,422
Senate Bill 40 Board	278,262	153,406	160,675	270,993
Total	<u>\$ 5,620,429</u>	<u>\$ 7,548,873</u>	<u>\$ 8,384,435</u>	<u>\$ 4,784,867</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

GRUNDY COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

		GENERAL REVENUE FUND	
		Budget	Actual
RECEIPTS			
Property taxes	\$	276,700	\$ 291,396
Sales taxes		500,000	550,107
Intergovernmental		18,300	44,168
Charges for services		384,100	416,386
Interest		2,000	1,579
Other		101,020	94,817
Transfers in		48,000	42,000
Total Receipts	\$	1,330,120	\$ 1,440,453
DISBURSEMENTS			
County Commission	\$	134,210	\$ 126,015
County Clerk		118,420	99,052
Elections		63,600	38,464
Buildings and grounds		166,450	124,011
Employee fringe benefits		310,000	207,050
Treasurer		103,620	92,233
Circuit Court		57,131	40,189
Court Administration		38,222	25,378
Public Administrator		60,290	53,247
Sheriff		427,145	414,451
Prosecuting Attorney		111,200	106,407
Juvenile Officer		64,107	28,182
Coroner		30,350	30,391
Other County government		84,550	79,424
Transfers out		217,200	243,000
Emergency fund		50,000	17,280
Total Disbursements	\$	2,036,495	\$ 1,724,774
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	\$	(706,375)	\$ (284,321)
CASH AND INVESTMENTS, JANUARY 1		704,097	704,097
CASH AND INVESTMENTS, DECEMBER 31	\$	(2,278)	\$ 419,776

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SPECIAL ROAD & BRIDGE FUND		ASSESSMENT FUND		AMBULANCE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ 65,000	\$ 67,768	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	500,000	550,000
Intergovernmental	500,000	580,171	-	-	-	-
Charges for services	-	-	197,090	184,747	965,275	940,406
Interest	700	965	235	289	4,000	3,817
Other	5,000	14,354	6,500	12,567	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 570,700	\$ 663,258	\$ 203,825	\$ 197,603	\$ 1,469,275	\$ 1,494,223
DISBURSEMENTS						
Salaries	\$ 90,000	\$ 72,708	\$ 115,620	\$ 98,343	\$ 825,000	\$ 748,432
Employee fringe benefits	24,500	19,740	27,400	12,409	125,750	122,435
Materials and supplies	29,800	22,505	6,200	5,180	133,100	125,765
Services and other	33,800	27,983	11,900	6,570	75,900	66,948
Capital outlay	149,500	131,399	38,200	32,690	308,978	290,317
Construction	512,000	574,317	-	-	-	-
Transfers out	24,000	18,000	-	-	624,000	624,000
Total Disbursements	\$ 863,600	\$ 866,652	\$ 199,320	\$ 155,192	\$ 2,092,728	\$ 1,977,897
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (292,900)	\$ (203,394)	\$ 4,505	\$ 42,411	\$ (623,453)	\$ (483,674)
CASH AND INVESTMENTS, JANUARY 1	472,397	472,397	93,941	93,941	2,119,772	2,119,772
CASH AND INVESTMENTS, DECEMBER 31	\$ 179,497	\$ 269,003	\$ 98,446	\$ 136,352	\$ 1,496,319	\$ 1,636,098

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	LAW ENFORCEMENT CENTER FUND		JUVENILE PROGRAMS FUND		JUVENILE RESTITUTION FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	500,000	549,997	-	-	-	-
Intergovernmental	76,000	61,270	52,000	55,358	-	-
Charges for services	-	-	-	-	-	-
Interest	150	403	-	-	-	-
Other	10,000	382	8,000	2,120	1,130	174
Transfers in	210,000	240,000	-	-	-	-
Total Receipts	<u>\$ 796,150</u>	<u>\$ 852,052</u>	<u>\$ 60,000</u>	<u>\$ 57,478</u>	<u>\$ 1,130</u>	<u>\$ 174</u>
DISBURSEMENTS						
Salaries	\$ 250,000	\$ 258,508	\$ 18,000	\$ -	\$ -	\$ -
Employee fringe benefits	57,500	58,910	1,450	-	-	-
Materials and supplies	23,700	17,729	-	-	-	-
Services and other	131,475	104,753	48,020	58,121	1,130	-
Capital outlay	329,000	326,878	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 791,675</u>	<u>\$ 766,778</u>	<u>\$ 67,470</u>	<u>\$ 58,121</u>	<u>\$ 1,130</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ 4,475	\$ 85,274	\$ (7,470)	\$ (643)	\$ -	\$ 174
CASH AND INVESTMENTS, JANUARY 1	<u>166,800</u>	<u>166,800</u>	<u>28,355</u>	<u>28,355</u>	<u>1,129</u>	<u>1,129</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 171,275</u>	<u>\$ 252,074</u>	<u>\$ 20,885</u>	<u>\$ 27,712</u>	<u>\$ 1,129</u>	<u>\$ 1,303</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	EMERGENCY MANAGEMENT AGENCY FUND		LAW ENFORCEMENT RESTITUTION FUND		RECORD PRESERVATION FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	3,588	1,065	-	-	-	-
Charges for services	-	-	-	-	3,000	4,423
Interest	5	2	40	41	10	15
Other	120	-	15,000	9,948	-	-
Transfers in	5,200	3,000	-	-	2,000	-
Total Receipts	\$ 8,913	\$ 4,067	\$ 15,040	\$ 9,989	\$ 5,010	\$ 4,438
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	6,183	3,061	30,000	20,104	5,000	4,469
Capital outlay	2,720	2,671	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 8,903	\$ 5,732	\$ 30,000	\$ 20,104	\$ 5,000	\$ 4,469
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 10	\$ (1,665)	\$ (14,960)	\$ (10,115)	\$ 10	\$ (31)
<b>CASH AND INVESTMENTS, JANUARY 1</b>	1,769	1,769	21,646	21,646	8,080	8,080
<b>CASH AND INVESTMENTS, DECEMBER 31</b>	\$ 1,779	\$ 104	\$ 6,686	\$ 11,531	\$ 8,090	\$ 8,049

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	PROSECUTING ATTORNEY TRAINING FUND		LAW ENFORCEMENT TRAINING FUND		SHERIFF REVOLVING FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	1,400	1,293	2,400	1,468	8,000	2,520
Interest	5	9	1	2	20	14
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 1,405	\$ 1,302	\$ 2,401	\$ 1,470	\$ 8,020	\$ 2,534
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	1,200	813	3,000	1,630	15,600	4,412
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 1,200	\$ 813	\$ 3,000	\$ 1,630	\$ 15,600	\$ 4,412
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ 205	\$ 489	\$ (599)	\$ (160)	\$ (7,580)	\$ (1,878)
CASH AND INVESTMENTS, JANUARY 1	3,486	3,486	608	608	7,662	7,662
CASH AND INVESTMENTS, DECEMBER 31	\$ 3,691	\$ 3,975	\$ 9	\$ 448	\$ 82	\$ 5,784

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	INMATE SECURITY FUND		P.A. DELINQUENT SALES TAX FUND		DEPUTY SALARY FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	13,000	22,132	-	-	7,869	6,312
Interest	20	28	1	2	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 13,020	\$ 22,160	\$ 1	\$ 2	\$ 7,869	\$ 6,312
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 3,600	\$ 4,272
Employee fringe benefits	-	-	-	-	500	327
Materials and supplies	-	-	-	-	-	-
Services and other	23,000	19,655	-	-	3,500	2,870
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 23,000	\$ 19,655	\$ -	\$ -	\$ 7,600	\$ 7,469
RECEIPTS OVER (UNDER)	\$ (9,980)	\$ 2,505	\$ 1	\$ 2	\$ 269	\$ (1,157)
DISBURSEMENTS						
CASH AND INVESTMENTS, JANUARY 1	10,654	10,654	786	786	(268)	(268)
CASH AND INVESTMENTS, DECEMBER 31	\$ 674	\$ 13,159	\$ 787	\$ 788	\$ 1	\$ (1,425)

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	PROSECUTING ATTORNEY BAD CHECK FUND		ELECTION SERVICES FUND		CIVIL FEE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	5,500	4,450	6,000	38,322	10,000	8,399
Interest	35	40	20	61	10	8
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 5,535	\$ 4,490	\$ 6,020	\$ 38,383	\$ 10,010	\$ 8,407
DISBURSEMENTS						
Salaries	\$ 8,035	\$ 6,777	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	500	518	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	2,500	1,158	3,600	2,393	14,000	8,801
Capital outlay	-	-	8,000	6,493	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 11,035	\$ 8,453	\$ 11,600	\$ 8,886	\$ 14,000	\$ 8,801
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (5,500)	\$ (3,963)	\$ (5,580)	\$ 29,497	\$ (3,990)	\$ (394)
CASH AND INVESTMENTS, JANUARY 1	20,134	20,134	22,595	22,595	4,236	4,236
CASH AND INVESTMENTS, DECEMBER 31	\$ 14,634	\$ 16,171	\$ 17,015	\$ 52,092	\$ 246	\$ 3,842

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	RECORDER'S TECHNOLOGY FUND		VICTIMS OF DOMESTIC VIOLENCE FUND		911 FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	4,500	2,382	500	510	85,000	102,735
Interest	2	1	1	1	100	457
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	600,000	600,000
Total Receipts	\$ 4,502	\$ 2,383	\$ 501	\$ 511	\$ 685,100	\$ 703,192
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	4,500	3,660	501	500	182,000	174,273
Capital outlay	-	-	-	-	623,500	514,255
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 4,500	\$ 3,660	\$ 501	\$ 500	\$ 805,500	\$ 688,528
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 2	\$ (1,277)	\$ -	\$ 11	\$ (120,400)	\$ 14,664
CASH AND INVESTMENTS, JANUARY 1	733	733	167	167	185,625	185,625
CASH AND INVESTMENTS, DECEMBER 31	\$ 735	\$ (544)	\$ 167	\$ 178	\$ 65,225	\$ 200,289

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	TAX MAINTENANCE FUND		DRUG COURT LOCAL FUND		DRUG COURT FEDERAL FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	47,500	37,943	190,000	118,714
Charges for services	20,000	22,294	-	-	-	-
Interest	90	109	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 20,090	\$ 22,403	\$ 47,500	\$ 37,943	\$ 190,000	\$ 118,714
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 47,876	\$ 51,549
Employee fringe benefits	-	-	-	-	2,525	2,563
Materials and supplies	3,500	2,521	-	-	-	-
Services and other	17,000	5,907	47,500	33,253	136,000	65,123
Capital outlay	5,500	1,027	-	-	3,000	4,406
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 26,000	\$ 9,455	\$ 47,500	\$ 33,253	\$ 189,401	\$ 123,641
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (5,910)	\$ 12,948	\$ -	\$ 4,690	\$ 599	\$ (4,927)
CASH AND INVESTMENTS, JANUARY 1	42,210	42,210	42,623	42,623	(91)	(91)
CASH AND INVESTMENTS, DECEMBER 31	\$ 36,300	\$ 55,158	\$ 42,623	\$ 47,313	\$ 508	\$ (5,018)

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	CEMETERIES FUND		FRED FITCH TRUST FUND		CRIPPLED CHILDREN TRUST FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	3,400	3,588	2,000	1,402	150	97
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 3,400	\$ 3,588	\$ 2,000	\$ 1,402	\$ 150	\$ 97
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	7,900	2,845	4,000	-	300	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 7,900	\$ 2,845	\$ 4,000	\$ -	\$ 300	\$ -
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (4,500)	\$ 743	\$ (2,000)	\$ 1,402	\$ (150)	\$ 97
CASH AND INVESTMENTS, JANUARY 1	68,964	68,964	7,595	7,595	7,744	7,744
CASH AND INVESTMENTS, DECEMBER 31	\$ 64,464	\$ 69,707	\$ 5,595	\$ 8,997	\$ 7,594	\$ 7,841

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	CEMETERY CD'S FUND		FRED FITCH TRUST CD's FUND		CRIPPLED CHILDREN TRUST CD'S FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CASH AND INVESTMENTS, JANUARY 1	150,000	150,000	131,423	131,423	7,000	7,000
CASH AND INVESTMENTS, DECEMBER 31	\$ 150,000	\$ 150,000	\$ 131,423	\$ 131,423	\$ 7,000	\$ 7,000

The accompanying Notes to the Financial Statements are an integral part of these statements.



GRUNDY COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	ARPA FUND		RIVER BANK STABILIZATION FUND		OPIOID SETTLEMENT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	956,624	956,624	794,000	644,835	-	-
Charges for services	-	-	-	-	-	-
Interest	-	823	-	-	-	-
Other	-	-	-	-	-	25,462
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 956,624</u>	<u>\$ 957,447</u>	<u>\$ 794,000</u>	<u>\$ 644,835</u>	<u>\$ -</u>	<u>\$ 25,462</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	956,624	956,518	794,000	696,908	-	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 956,624</u>	<u>\$ 956,518</u>	<u>\$ 794,000</u>	<u>\$ 696,908</u>	<u>\$ -</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ 929	\$ -	\$ (52,073)	\$ -	\$ 25,462
CASH AND INVESTMENTS, JANUARY 1	<u>956,881</u>	<u>956,881</u>	<u>52,073</u>	<u>52,073</u>	<u>-</u>	<u>-</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 956,881</u>	<u>\$ 957,810</u>	<u>\$ 52,073</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,462</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
 - BUDGET AND ACTUAL - REGULATORY BASIS  
 YEAR ENDED DECEMBER 31, 2022

	SENIOR CITIZENS TAX BOARD FUND		SENATE BILL 40 BOARD FUND	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 63,479	\$ 68,695	\$ 110,000	\$ 136,511
Sales taxes	-	-	-	-
Intergovernmental	-	-	4,704	4,704
Charges for services	-	-	-	-
Interest	-	-	2,830	2,147
Other	-	-	6,000	10,044
Transfers in	-	-	-	-
Total Receipts	<u>\$ 63,479</u>	<u>\$ 68,695</u>	<u>\$ 123,534</u>	<u>\$ 153,406</u>
DISBURSEMENTS				
Salaries	\$ -	\$ -	\$ 44,000	\$ 44,213
Employee fringe benefits	-	-	4,000	3,964
Materials and supplies	66	94	15,000	14,910
Services and other	487	68,520	102,375	97,588
Capital outlay	-	-	-	-
Construction	-	-	-	-
Transfers out	-	-	-	-
Total Disbursements	<u>\$ 553</u>	<u>\$ 68,614</u>	<u>\$ 165,375</u>	<u>\$ 160,675</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 62,926	\$ 81	\$ (41,841)	\$ (7,269)
CASH AND INVESTMENTS, JANUARY 1	<u>1,341</u>	<u>1,341</u>	<u>278,262</u>	<u>278,262</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 64,267</u></u>	<u><u>\$ 1,422</u></u>	<u><u>\$ 236,421</u></u>	<u><u>\$ 270,993</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

GRUNDY COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

Fund/Account	Cash and Cash Equivalents January 1	Receipts	Disbursements	Cash and Cash Equivalents December 31
Treasurer Schools	\$ 17,164	\$ 57,184	\$ 62,541	\$ 11,807
Treasurer School Overplus	1,300	7,304	986	7,618
Treasurer Unclaimed Fees	227	-	-	227
Treasurer Undistributed	66,365	38,437	104,304	498
Treasurer Marion TWP Road bond	9,930	32,356	16,628	25,658
Treasurer Jackson TWP Road Bond	19	499	-	518
Treasurer CERF	-	188,157	179,451	8,706
Treasurer Task Force Seizures	150,159	666,747	43,263	773,643
Treasurer Ambulance Classic Checking	-	542,438	542,438	-
Treasurer Special Elections	-	15,526	15,526	-
Collector's Now Checking	6,058,042	13,420,977	10,955,218	8,523,801
Collector's Payment Plan	1,126	17,896	18,221	801
Prosecuting Attorney	4,805	62,987	59,563	8,229
Recorder	7,387	74,086	77,063	4,410
Sheriff's Account	1,342	73,198	74,013	527
Sheriff Inmate (Commissary)	8,475	49,914	52,678	5,711
Public Administrator	189,705	562,477	542,758	209,424
Total	<u>\$ 6,516,046</u>	<u>\$ 15,810,183</u>	<u>\$ 12,744,651</u>	<u>\$ 9,581,578</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

GRUNDY COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Grundy County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are eight elected Constitutional Officers: Assessor, Circuit Clerk/Recorder, Collector/Treasurer, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, and Sheriff.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Grundy County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. However, the County budgeted a negative ending fund balance for the General Revenue Fund.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the Special Road and Bridge and Senior Citizens Tax Board Funds.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022, for purposes of taxation were:

Real Estate	\$ 77,365,440
Personal Property	40,073,362
Railroad and Utilities	<u>29,067,864</u>
Total	<u>\$ 146,506,666</u>

For calendar year 2022, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

General Revenue	\$ 0.2080
Senate Bill 40 Board	0.1000
Senior Citizens Tax Board	0.0500

In addition to the levies above, the Special Road & Bridge Fund receives 5% of property tax amounts collected on behalf of township road districts within the county.

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

The Deputy Salary, Recorder's Technology and Drug Court Federal funds had a deficit fund balance at the end of 2022. The negative cash balance represents implicit borrowing from other pooled funds.

## 2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 4,256,345	\$ 4,620,325	\$ 315,970
Investments	528,522	528,522	240,324
Total Governmental Funds	<u>\$ 4,784,867</u>	<u>\$ 5,148,847</u>	<u>\$ 556,294</u>
Cash and Cash Equivalents - Fiduciary Funds	\$ 9,581,578	\$ 5,928,800	\$ 483,576

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

## 3. COUNTY EMPLOYEES' RETIREMENT PLANS

### A. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

#### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002. During 2022, the County collected and remitted to CERF employee withholdings of \$91,322 for the year then ended.

## B. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$3,366 for the year ended December 31, 2022.

## C. Other Retirement Plan

Grundy County has a voluntary 457(b) plan which is paid by a deduction from employee's salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2022 were \$44,046.



#### 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

#### 5. CLAIMS, COMMITMENT AND CONTINGENCIES

##### A. Compensated Absences

The County provides full-time employees with four hours per calendar month worked of compensated personal leave, up to a maximum of 360 hours. Ambulance employees earn six hours per calendar month worked of personal leave. Full-time employees may receive compensation for 50% of accrued personal leave upon termination of employment. Vacation time is accrued for every full-time employee beginning with the second year of employment at a rate of one to four weeks per year based on length of employment. Any days not used by the end of the year will be lost. Hourly personnel working in the Grundy County Detention Center may carry over no more than 12 hours of vacation. Upon separation due to resignation, death, or termination, an employee may receive compensation for unused accrued vacation leave.

##### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

#### 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body. The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections which are intended to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri

counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2022:

- A. During 2006, Certificates of Participation (COPS) in the amount of \$4,995,000 were issued by First Bank of Missouri on behalf of the County for the construction of a new law enforcement facility. During 2016, the county refinanced the debt by paying off the Series 2006 COPS and issuing new COPS in the amount of \$3,465,000. Under the new COPS, the county makes semi-annual interest payments on June 1 and December 1 of each year, with annual principal payments on December 1. The interest rate varies between .8% and 2.7%. Future payments on the COPS are as follows.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 240,000	\$ 47,348	\$ 175,801
2024	245,000	42,908	176,408
2025	250,000	38,008	176,783
2026	255,000	32,758	176,795
2027	265,000	27,148	176,570
2028-2030	825,000	43,185	885,175
Totals	<u>\$ 2,080,000</u>	<u>\$ 231,355</u>	<u>\$ 1,767,531</u>

- B. In October 2018, the County entered into a \$200,430, five-year capital lease for a 2018 John Deere Excavator. The lease calls for annual payments of \$43,736 beginning in March 2019, with an interest rate of 3.8%. In December 2018, the County made a payment of \$50,000 toward the principal of the lease. Per the bank, this amount will be held towards the last payment and does not affect interest or the payment schedule. The schedule of remaining payments is listed below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ -	\$ 1,601	\$ 1,601
Totals	<u>\$ -</u>	<u>\$ 1,601</u>	<u>\$ 1,601</u>

- C. In April 2020, the County entered into a \$32,176, five-year capital lease for a recording system for the Sheriff's Department. The lease calls for annual payments of \$7,170 beginning in April 2020, with an interest rate of 3.72%. The schedule of remaining payments is listed below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 6,415	\$ 755	\$ 7,170
2024	6,782	388	7,170
Totals	<u>\$ 13,197</u>	<u>\$ 1,143</u>	<u>\$ 14,340</u>

- D. In June 2020, the County entered into a \$37,179, four-year capital lease for a Chevy Tahoe for the Sheriff's Department. The lease is scheduled to be paid in annual payments of \$10,031, which includes interest of 5.33%. The first payment was made in June 2020 and the final payment is scheduled to be made in June 2023. The schedule of remaining payments is listed below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 9,523	\$ 508	\$ 10,031
Totals	\$ 9,523	\$ 508	\$ 10,031

- E. In 2022, the County entered into a \$157,610, two-year capital lease for a 2022 John Deere Excavator. The lease calls for a payment of \$57,610 to be made in April 2023 and payments of \$54,226 in December 2023 and 2024, with an interest rate of 7.25%. In December 2022, the County made the first payment of \$57,610 toward the principal of the lease. The schedule of remaining payments is listed below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 49,440	\$ 4,786	\$ 54,226
2024	50,560	3,666	54,226
Totals	\$ 100,000	\$ 8,452	\$ 108,452

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
Series 2016 COPS	\$ 2,320,000	\$ -	\$ (240,000)	\$2,080,000	\$ 51,428
2018 JD Excavator	32,729	-	(32,729)	-	3,144
Recording System	19,266	-	(6,069)	13,197	1,102
2020 Chevy Tahoe	18,564	-	(9,041)	9,523	990
2022 JD Excavator	-	157,610	(57,610)	100,000	-

## 8. OPERATING LEASES

At December 31, 2022, the County has one non-cancellable 60-month lease for copiers. The lease is through May 22, 2024 with a monthly payment of \$671.

Fiscal Year Ending December 31,	Amount
2023	8,052
2024	3,355

## 9. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 9, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

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### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Commission and  
Officeholders of Grundy County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Grundy County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements, which collectively comprise Grundy County, Missouri's basic financial statements and have issued our report thereon dated August 9, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Grundy County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Grundy County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Grundy County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Grundy County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Grundy County, Missouri's Response to Findings**

Grundy County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Grundy County, Missouri's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 9, 2023

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Grundy County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Grundy County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Grundy County, Missouri's major federal programs for the year ended December 31, 2022. Grundy County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Grundy County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Grundy County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Grundy County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Grundy County, Missouri's federal programs.



## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Grundy County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Grundy County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Grundy County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Grundy County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Grundy County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such

that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on Grundy County, Missouri's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Grundy County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 9, 2023

GRUNDY COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	Awards Passed-Through to Subrecipients
	U. S. DEPARTMENT OF AGRICULTURE			
	Direct Program -			
10.923	Emergency Watershed Protection Program	NR216424XXXXC021	\$ 442,426	\$ -
	U. S. DEPARTMENT OF JUSTICE			
	Direct Program -			
16.738	Drug Court Discretionary Grant Program	2019-DC-BX-0036	122,782	-
	U. S. DEPARTMENT OF THE TREASURY			
	Direct Program -			
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	n/a	956,518	-
	U. S. DEPARTMENT OF HOMELAND SECURITY			
	Passed through Missouri Department of Public Safety -			
	Emergency Management Performance Grants	EMK-2021-EP-00006-045	630	-
97.042		EMK-2022-EP-00004-042	630	-
		EMK-2020-EP-00004-SL08	120	-
	Total 97.042		<u>1,380</u>	<u>-</u>
	Total Expenditures of Federal Awards		<u>\$ 1,523,106</u>	<u>\$ -</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**GRUNDY COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Grundy County, Missouri for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUBRECIPIENTS**

The County did not pass any federal awards through to subrecipients during the year ended December 31, 2022.

GRUNDY COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2022

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported
- Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes      None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?   X   Yes      No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

## **SECTION II – FINANCIAL STATEMENTS FINDINGS**

### **MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

### **SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

See finding 2022-001 below

### **ITEMS OF NONCOMPLIANCE**

None

## **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

### **2022-001: Internal Control Over Schedule of Expenditures of Federal Awards**

Federal Grantor: U.S. Department of Agriculture, U.S. Department of Justice, U.S. Department of the Treasury and U.S. Department of Homeland Security

Pass-Through Grantor: Missouri Department of Public Safety

Federal Assistance Listing Number: 10.923, 16.738, 21.027 and 97.042

Program Title: Emergency Watershed Protection Program; Drug Court Discretionary Grant Program; COVID-19 Coronavirus State and Local Fiscal Recovery Funds; Emergency Management Performance grants

Pass-through Entity Identifying Number: NR216424XXXXC021, 2019-DC-BX-0036, EMK-2021-EP-00006-045, EMK-2022-EP-00004-042, EMK-2020-EP-00004-SL08

Award Year: 2022

Questioned Costs: None

Criteria: 2 CFR 200.510(b) requires auditees to prepare a schedule of expenditures of federal awards which must report total federal awards expended during the audit period. At a minimum, the schedule must include: expenditures by individual federal program, name of the pass-through entity and identifying number for awards not received directly from the federal government, and the total amount provided to subrecipients from each federal program. The County has not implemented proper internal controls to ensure the completeness and accuracy of the SEFA.

This finding was noted in the prior audit for the year ended December 31, 2021 as item 2021-001.

Condition: The schedules of expenditures of federal awards (SEFA) reported by the County in the 2022 annual budget documents contained errors in amounts of federal expenditures reported. Discrepancies in amounts reported on the 2022 SEFA and amount supported by underlying accounting

records are summarized as follows:

<u>Agency</u>	<u>ALN</u>	<u>Program</u>	<u>SEFA</u>	<u>Supported</u>	<u>Difference</u>
USDA	10.923	Emergency Watershed Protection Program	\$ -	\$ 442,426	\$ (442,426)
DOJ	16.738	Drug Court Discretionary Grant Program	118,714	122,782	(4,068)
Treasury	21.027	COVID-19 - Coronavirus State and	-	956,518	(956,518)
EAC	90.404	Local Fiscal Recovery Funds	14,395	-	(14,395)
		Election Security Grant			
DHS	97.042	Emergency Management	-	1,380	(1,380)
		Performance Grants			

Cause: The County Clerk did not prepare an accurate SEFA for the year ending December 31, 2022. This was caused by the reporting of the receipt of federal funds rather than the amount expended.

Effect: The SEFA presented for audit did not accurately reflect the County's actual expenditures of federal awards for the year ended December 31, 2022.

Recommendation: We recommend that the County implement internal controls to ensure that the SEFA completely and accurately states the expenditures of federal awards of the County each year, such as performing a reconciliation between the SEFA and underlying accounting records. Federal reimbursement grants should be reported on the SEFA based on reimbursable expenditures made during the year.

County's Response: The SEFA monies had been reported wrong in the past. With this being my first year as County Clerk and my first experience with the budget I also went by what was reported in the past. I am working toward correcting this mistake and tracking the money better so it can be reported correctly.

Auditor's Evaluation: The response is appropriate to correct the concern.

**MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:**

- **Summary Schedule of Prior Audit Findings**
  - **Corrective Action Plan**



**CLERK OF THE COUNTY COMMISSION  
OF GRUNDY COUNTY**

700 Main, Courthouse 2<sup>nd</sup> Floor  
Trenton, MO 64683

Ph: 660-359-4040 ext. 4 Fax: 660-359-6786

E-mail: grundyclerk@grundycountymo.com

Courtney Campbell, County Clerk

Rosie Gray, Clerk

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**GRUNDY COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Grundy County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2021.

**2021-001:** The schedule of expenditures of federal awards (SEFA) reported by the County in 2021 annual budget documents contained errors in amounts of federal expenditures reported. Expenditures by the County were overstated by \$1,046,502.

Status: Not resolved, see finding 2022-001.

**CLERK OF THE COUNTY COMMISSION  
OF GRUNDY COUNTY**

700 Main, Courthouse 2<sup>nd</sup> Floor  
Trenton, MO 64683

Ph: 660-359-4040 ext. 4 Fax: 660-359-6786

E-mail: grundyclerk@grundycountymo.com

Courtney Campbell, County Clerk

Rosie Gray, Clerk

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**GRUNDY COUNTY, MISSOURI  
CORRECTIVE ACTION PLAN**

**Finding Reference Number:** 2022-001

**Federal Agency:** U.S. Department of Agriculture, U.S. Department of Justice, U.S. Department of the Treasury and U.S. Department of Homeland Security

**Program Name:** Emergency Watershed Protection Program; Drug Court Discretionary Grant Program; COVID-19 Coronavirus State and Local Fiscal Recovery Funds; Emergency Management Performance grants

**Assistance Listing Number:** 10.923, 16.738, 21.027 and 97.042

**Responsible Official:** Courtney Campbell, County Clerk

**Views of Responsible Individuals:**

The SEFA monies had been reported wrong in the past. With this being my first year as County Clerk and my first experience with the budget I also went by what was reported in the past. I am working toward correcting this mistake and tracking the money better so it can be reported correctly.



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
August 2023

Report No. 2023-070

October 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## August 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 13 political subdivisions required to file a financial report by August 31, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in August 2023, after their filing deadline. The filing status for these 187 entities is presented in summary on page 3 and by individual entity in Appendixes B to D.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized with a large "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## August 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.

This report includes the filing status for the 13 political subdivisions, other than cities, towns, and villages, with a fiscal year end of February 28, 2023. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 13 political subdivisions, 12 filed an annual financial report timely.

This report also includes the filing status for 187 political subdivisions, other than cities, towns, and villages, that filed their financial report in August 2023, after their filing deadline.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due August 31, 2023

Fiscal Year Ended February 28, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Atchison	Mill Creek Dyke Drainage District	Yes	April 4, 2023
	Nishnabotna Drainage District	Yes	April 4, 2023
Audrain	Van-Far Ambulance District	Yes	July 31, 2023
Barton	Golden City Volunteer FPD	Yes	April 24, 2023
Carroll	Dewitt Drainage & Levee District	No	
	Egypt-Prairie Drainage District	Yes	March 16, 2023
	Norborne Land Drainage District	Yes	February 21, 2023
	PWSD 1 Carroll County	Yes	August 22, 2023
	Riverside Levee District	Yes	February 28, 2023
Marion	Drainage District Marion County	Yes	May 11, 2023
	Fabius River Drainage District	Yes	June 7, 2023
Ray	Levee District Ray-Carroll County	Yes	March 13, 2023
Ste. Genevieve	Lake Forest Estates Clean Water District	Yes	March 23, 2023
Total Filed		12	
Total Not Filed		1	

Acronyms:

FPD            Fire Protection District  
PWSD        Public Water Supply District

Appendix B  
 Status of Political Subdivisions Required to File Annual Financial Reports  
 Reports Due October 31, 2022  
 Filed in August 2023

Fiscal Year Ended April 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jackson	906 Grand Community Improvement District	Yes	August 18, 2023
Total Filed		1	



Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due May 31, 2023

Filed in August 2023

Fiscal Year Ended November 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Laclede	Lebanon SRD 1 Laclede County	Yes	August 2, 2023
Total Filed		1	

Acronyms:

SRD                      Special Road District

# Appendix D

Status of Political Subdivisions Required to File Annual Financial Reports  
 Reports Due June 30, 2023  
 Filed in August 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Adair	Baltimore Commons CID	Yes	August 31, 2023
Andrew	Bolckow FPD	Yes	August 9, 2023
	LD 5 Andrew-Holt-Nodaway County	Yes	August 8, 2023
	PWSD 2 Andrew County	Yes	August 7, 2023
Atchison	Tarkio SRD Atchison County	Yes	August 7, 2023
	West Atchison FPD	Yes	August 2, 2023
	Westboro Volunteer FPD	Yes	August 7, 2023
Audrain	Tri County NHD	Yes	August 10, 2023
Barry	Central Crossing FPD	Yes	August 7, 2023
	Kings Prairie SRD Barry County	Yes	August 2, 2023
	Washburn SRD 4 Barry County	Yes	August 17, 2023
	Wheaton SRD 29 Barry County	Yes	August 14, 2023
Barton	Barton County Ambulance District	Yes	August 7, 2023
Bates	Cornland SRD Bates County	Yes	August 12, 2023
	PWSD 6 Bates County	Yes	August 7, 2023
	South Hudson SRD Bates County	Yes	August 7, 2023
Benton	Brandon SRD Benton County	Yes	August 6, 2023
	Cole Camp & Rural FPD	Yes	August 8, 2023
Bollinger	Bollinger County Health Center	Yes	August 11, 2023
	Zalma FPD	Yes	August 14, 2023
Boone	Broadway-Fairview TDD	Yes	August 21, 2023
	Clark Lane TDD	Yes	August 21, 2023
	Conley Road TDD	Yes	August 21, 2023
	Cross Creek TDD	Yes	August 22, 2023
	Grindstone Plaza TDD	Yes	August 21, 2023
	Rock Bridge Center TDD	Yes	August 21, 2023
	Shoppes at Stadium TDD	Yes	August 21, 2023
Buchanan	San Antonio FPD	Yes	August 4, 2023
Butler	Kelly Town Plaza CID	Yes	August 17, 2023
	PWSD 2 Butler County	Yes	August 7, 2023
Caldwell	Caldwell County Library District	Yes	August 7, 2023
	Cowgill FPD	Yes	August 9, 2023
	PWSD 2 Caldwell County	Yes	August 8, 2023
Callaway	Central Callaway FPD	Yes	August 15, 2023
Camden	Ballparks of the Ozarks CID	Yes	August 16, 2023
	Dierbergs Osage Beach TDD	Yes	August 16, 2023
	Peninsula Development CID	Yes	August 8, 2023
	Sunrise Beach FPD	Yes	August 8, 2023
Cape Girardeau	PWSD 4 Cape Girardeau County	Yes	August 11, 2023
Carroll	Carrollton Public Library District	Yes	August 8, 2023
Carter	PWSD 1 Carter County	Yes	August 15, 2023
Cass	Creighton FPD	Yes	August 25, 2023
Cedar	Bear Creek SRD Cedar County	Yes	August 17, 2023
	Bethel SRD Cedar County	Yes	August 17, 2023
	Caplinger Mills SRD Cedar County	Yes	August 17, 2023
	Cedar County Chapel Hills FPD	Yes	August 17, 2023

# Appendix D

## Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2023

Filed in August 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Cedar	Cedar Hall SRD Cedar County	Yes	August 17, 2023
	Eldorado Springs SRD Cedar County	Yes	August 17, 2023
	Independence SRD Cedar County	Yes	August 17, 2023
	Jerico Springs SRD Cedar County	Yes	August 17, 2023
	Koncord SRD Cedar County	Yes	August 17, 2023
	Korth Special Road Subdistrict	Yes	August 17, 2023
	Madison SRD Cedar County	Yes	August 17, 2023
	Masters SRD Cedar County	Yes	August 17, 2023
	Omer SRD Cedar County	Yes	August 17, 2023
	Rowland SRD Cedar County	Yes	August 17, 2023
	Stockton SRD Cedar County	Yes	August 17, 2023
Chariton	PWSD 2 Chariton County	Yes	August 7, 2023
Clark	Clark County Ambulance District	Yes	August 8, 2023
	Wayland SRD Clark County	Yes	August 12, 2023
Clay	Fishing River FPD	Yes	August 28, 2023
	Holt Community FPD	Yes	August 28, 2023
	Liberty Commons TDD	Yes	August 30, 2023
	PWSD 4 Clay County	Yes	August 17, 2023
	Rogers Plaza CID	Yes	August 16, 2023
Clinton	Gower FPD	Yes	August 15, 2023
Cole	Regional West FPD	Yes	August 11, 2023
	Show Me PACE	Yes	August 7, 2023
Cooper	Boonville Riverfront TDD	Yes	August 8, 2023
	Overton-Wooldridge Levee District 1	Yes	August 25, 2023
	Windsor Place CID	Yes	August 7, 2023
Dade	Dade County Ambulance District	Yes	August 11, 2023
	Good Shepherd NHD	Yes	August 24, 2023
Dallas	Southern Dallas County FPD	Yes	August 9, 2023
Daviess	PWSD 1 Daviess County	Yes	August 7, 2023
DeKalb	Central DeKalb County FPD	Yes	August 10, 2023
	Union Star FPD	Yes	August 27, 2023
Dent	Dent County FPD	Yes	August 8, 2023
Douglas	Douglas County Health Department	Yes	August 7, 2023
Dunklin	PWSD 2 Dunklin County	Yes	August 8, 2023
Franklin	Highway 100 CID	Yes	August 8, 2023
	PWSD 4 Franklin County	Yes	August 24, 2023
	St. Clair Ambulance District	Yes	August 16, 2023
	Washington Area Ambulance District	Yes	August 9, 2023
Gentry	McFall FPD	Yes	August 11, 2023
Grundy	Spickard FPD	Yes	August 10, 2023
Harrison	North Harrison FPD	Yes	August 17, 2023
Henry	Deerfield Creek SRD Henry County	Yes	August 23, 2023
	Osage SRD 1 Henry County	Yes	August 16, 2023
Hickory	Hickory County Health Department	Yes	August 5, 2023
Holt	Corning SRD Holt County	Yes	August 10, 2023
	Levee District 9 Holt County	Yes	August 17, 2023

# Appendix D

## Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2023

Filed in August 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Howard	Bonne Femme Levee District 1	Yes	August 7, 2023
	Consolidated PWSO 1 Howard County	Yes	August 25, 2023
	D&LD 2 Howard County	Yes	August 7, 2023
	Howard County Ambulance District	Yes	August 7, 2023
	Levee District 3 Howard County	Yes	August 7, 2023
	Levee District 4 Howard County	Yes	August 7, 2023
Howell	PWSO 3 Howell County	Yes	August 7, 2023
Iron	Iron County Health Department	Yes	August 15, 2023
	Pilot Knob FPD	Yes	August 22, 2023
Jackson	71 Highway & 150 Highway TDD	Yes	August 14, 2023
	PWSO 16 Jackson County	Yes	August 14, 2023
Jasper	PWSO 1 Jasper County	Yes	August 7, 2023
Jefferson	Hematite FPD	Yes	August 8, 2023
	PWSO 2 Jefferson County	Yes	August 9, 2023
Johnson	Western Missouri Medical Center	Yes	August 8, 2023
Laclede	Bennett Spring FPD	Yes	August 12, 2023
Lawrence	Aurora SRD Lawrence County	Yes	August 10, 2023
	Mt. Pleasant Benefit SRD Lawrence County	Yes	August 7, 2023
	Mt. Vernon FPD	Yes	August 2, 2023
	Stotts City FPD	Yes	August 5, 2023
Lincoln	Old Monroe FPD	Yes	August 7, 2023
	PWSO 2 Lincoln County	Yes	August 25, 2023
Linn	Linn County Ambulance District	Yes	August 11, 2023
	Marceline SRD Linn County	Yes	August 8, 2023
	Purdin SRD Linn County	Yes	August 9, 2023
Livingston	Livingston County Health Center	Yes	August 7, 2023
Marion	Marion County NHD	Yes	August 8, 2023
McDonald	McDonald County Library District	Yes	August 7, 2023
Miller	Brumley FPD	Yes	August 9, 2023
	Isla Del Sol CID	Yes	August 8, 2023
Mississippi	Big Lake Drainage District	Yes	August 14, 2023
	Mississippi County Library District	Yes	August 7, 2023
Moniteau	Fortuna FPD	Yes	August 7, 2023
Monroe	Monroe County Ambulance District	Yes	August 1, 2023
Montgomery	Montgomery Ambulance District	Yes	August 7, 2023
Morgan	Morgan County Health Center	Yes	August 8, 2023
New Madrid	Drainage District 33 New Madrid County	Yes	August 25, 2023
	PWSO 2 New Madrid County	Yes	August 16, 2023
Newton	Highway 166 CID	Yes	August 18, 2023
	Redings Mill FPD	Yes	August 1, 2023
Ozark	Ozark County Ambulance District	Yes	August 14, 2023
	Ozark County Health Center	Yes	August 7, 2023
Pemiscot	Pemiscot County Memorial Hospital	Yes	August 7, 2023
Phelps	Edgar Springs Rural Volunteer FPD	Yes	August 22, 2023
Pike	Eolia Community FPD	Yes	August 7, 2023
	Pike County Health Department	Yes	August 7, 2023

# Appendix D

## Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2023

Filed in August 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Platte	Camden Point FPD	Yes	August 11, 2023
	Parkville Old Towne CID	Yes	August 8, 2023
	PWSD 7 Platte County	Yes	August 7, 2023
	PWSD 8 Platte County	Yes	August 7, 2023
	Smithville Area FPD	Yes	August 8, 2023
Polk	Humansville SRD Polk County	Yes	August 15, 2023
	Polk County 911 Board	Yes	August 8, 2023
Pulaski	Dixon Ambulance District	Yes	August 8, 2023
	Waynesville Rural FPD	Yes	August 9, 2023
Putnam	Grant Township FPD	Yes	August 21, 2023
	Putnam County Ambulance District	Yes	August 7, 2023
Ralls	Ralls County Library District	Yes	August 9, 2023
Randolph	Thomas Hill PWSD 1 Randolph County	Yes	August 8, 2023
Ray	Consolidated PWSD 2 Ray County	Yes	August 29, 2023
	Crooked River Drainage District	Yes	August 21, 2023
	Hardin SRD Ray County	Yes	August 22, 2023
	Henrietta-Crooked River D&LD	Yes	August 7, 2023
	Stet Rural FPD	Yes	August 10, 2023
	Tri-County Drainage District	Yes	August 7, 2023
	Reynolds County Health Center	Yes	August 8, 2023
	PWSD 3 Saline County	Yes	August 9, 2023
Saline	Slater Rural FPD	Yes	August 28, 2023
	Consolidated PWSD 1 Scotland County	Yes	August 8, 2023
Scotland St. Charles	Augusta FPD	Yes	August 14, 2023
	Mark Twain Mall TDD	Yes	August 18, 2023
	Wentzville Parkway I TDD	Yes	August 16, 2023
St. Clair	Chloe SRD St. Clair County	Yes	August 7, 2023
	Collins SRD St. Clair County	Yes	August 7, 2023
	Hillsdale SRD St. Clair County	Yes	August 7, 2023
	Lowry City SRD St. Clair County	Yes	August 7, 2023
	Osceola SRD St. Clair County	Yes	August 5, 2023
	Sac Osage FPD	Yes	August 14, 2023
	Vista SRD St. Clair County	Yes	August 7, 2023
St. Louis	Brentwood Pointe TDD	Yes	August 16, 2023
	Centene Plaza TDD	Yes	August 18, 2023
	Dierbergs Des Peres TDD	Yes	August 16, 2023
	St. Charles Rock Road TDD	Yes	August 31, 2023
Stoddard	Dudley SRD Stoddard County	Yes	August 11, 2023
	Stoddard County Ambulance District	Yes	August 7, 2023
	Stoddard County Public Health	Yes	August 23, 2023
Stone	Stone County 911 Board	Yes	August 7, 2023
	Stone County Library District	Yes	August 22, 2023
Taney	Branson Hills Infrastructure Facilities CID	Yes	August 8, 2023
	Taney County Health Department	Yes	August 10, 2023
	Western Taney County FPD	Yes	August 8, 2023

## Appendix D

### Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2023

Filed in August 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Texas	Texas County EMS Board	Yes	August 8, 2023
Vernon	PWSD 7 Vernon County	Yes	August 8, 2023
Total Filed		185	

#### Acronyms:

CID	Community Improvement District
D&LD	Drainage and Levee District
EMS	Emergency Medical Services
FPD	Fire Protection District
LD	Levee District
NHD	Nursing Home District
PACE	Property Assessed Clean Energy
PWSD	Public Water Supply District
SRD	Special Road District
TDD	Transportation Development District



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
August 2023

Report No. 2023-069

October 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## August 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by August 31, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 4 cities and 4 villages is presented in summary on page 3 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in August 2023, after their filing deadline. The filing status for these 47 cities, 2 towns, and 9 villages is presented in summary on page 4 and by individual entity in Appendixes B to F.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

August 2023

## Executive Summary

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### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. Rule 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires the SAO to notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and a mandatory ballot measure to dissolve the political subdivision.

This report includes the filing status for the 4 cities and 4 villages with a fiscal year end of February 28, 2023, whose financial report was due by August 31, 2023. Of the 8 municipalities, 6 filed the financial report timely. Of the 3 municipalities required to file an addendum, all 3 filed timely. Of the 2 municipalities required to file a certification, both filed timely.



Monthly Report on Municipal Court and Revenue Filings  
August 2023  
Executive Summary

---

This report includes the filing status for 47 cities, 2 towns, and 9 villages that filed at least one of the items (financial report, addendum, or certification) in August 2023, after their filing deadline. Of these municipalities, 45 filed an annual financial report, 23 filed an addendum, and 9 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due August 31, 2023

Fiscal Year Ended February 28, 2023

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Andrew	City of Fillmore	Yes	July 12, 2023	N/A	N/A
Audrain	City of Vandalia	Yes	August 18, 2023	Yes	Yes
Clay	Village of Oaks	Yes	May 20, 2023	N/A	N/A
Grundy	City of Tindall	Yes	July 31, 2023	N/A	N/A
Lincoln	Village of Chain of Rocks	Yes	May 23, 2023	N/A	N/A
Osage	Village of Freeburg	Yes	August 24, 2023	Yes	N/A
St. Louis	City of Pasadena Hills	No		N/A	N/A
	Village of Uplands Park	No		Yes	Yes
Total Filed		6		3	2
Total Not Filed		2		0	0
Total N/A		0		5	6

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2022  
Filed in August 2023

Fiscal Year Ended March 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Cape Girardeau	Village of Old Appleton	Yes	August 16, 2023	N/A	N/A
Total Filed		1		0	0

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in August 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Cass	City of Creighton	**	August 16, 2022	Yes	N/A
Franklin	City of Berger	**	July 18, 2022	Yes	N/A
Wright	City of Mountain Grove	**	December 20, 2022	No	Yes
Total Filed		0		2	1

\*\* Filed by December 31, 2022.

N/A Entities without a municipal judge are not required to file a certification.

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023  
Filed in August 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Henry	City of Clinton	**	March 30, 2023	Yes	Yes
Pulaski	City of Dixon	**	March 13, 2023	**	Yes
Total Filed		0		1	2

\*\* Filed by March 31, 2023.

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due May 31, 2023  
Filed in August 2023

Fiscal Year Ended November 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Lafayette	City of Mayview	Yes	August 16, 2023	Yes	N/A
Total Filed		1		1	0

N/A Entities without a municipal judge are not required to file a certification.



Appendix F  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023  
Filed in August 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Andrew	City of Bolckow	Yes	August 9, 2023	N/A	N/A
	Village of Rosendale	Yes	August 5, 2023	N/A	N/A
Barry	City of Seligman	Yes	August 9, 2023	No	**
Bates	City of Hume	Yes	August 24, 2023	N/A	N/A
Butler	City of Poplar Bluff	Yes	August 10, 2023	No	**
Callaway	City of Auxvasse	Yes	August 7, 2023	Yes	N/A
Carroll	City of Bosworth	Yes	August 10, 2023	No	N/A
	Town of Carrollton	Yes	August 8, 2023	**	N/A
Clay	City of Glenaire	Yes	August 7, 2023	No	N/A
Dade	Village of South Greenfield	Yes	August 7, 2023	N/A	N/A
Dunklin	City of Cardwell	Yes	August 11, 2023	No	No
Franklin	City of Gerald	Yes	August 21, 2023	***	N/A
	Town of Charmwood	Yes	August 11, 2023	N/A	N/A
Greene	City of Walnut Grove	Yes	August 8, 2023	No	No
Harrison	Village of Eagleville	Yes	August 7, 2023	Yes	N/A
Howell	City of Willow Springs	Yes	August 8, 2023	**	**
Jackson	City of Lake Lotawana	Yes	August 10, 2023	**	N/A
Jasper	City of Duenweg	**	June 30, 2023	Yes	Yes
	Village of Fidelity	Yes	August 21, 2023	N/A	N/A
Jefferson	City of Kimmswick	Yes	August 7, 2023	N/A	N/A
Johnson	City of Chilhowee	**	February 27, 2023	Yes	N/A
	City of Kingsville	Yes	August 8, 2023	No	N/A
Lincoln	City of Silex	Yes	August 17, 2023	Yes	N/A
Linn	City of Browning	Yes	August 11, 2023	No	N/A
Livingston	Village of Utica	Yes	August 8, 2023	N/A	N/A
McDonald	City of Goodman	Yes	August 10, 2023	Yes	**
	City of Lanagan	Yes	August 9, 2023	Yes	**
	City of Noel	**	February 10, 2023	No	Yes
New Madrid	City of Matthews	Yes	August 9, 2023	***	**
	City of New Madrid	Yes	August 15, 2023	**	N/A
Newton	Village of Shoal Creek Estates	Yes	August 30, 2023	N/A	N/A
Nodaway	City of Hopkins	Yes	August 23, 2023	No	N/A
	City of Parnell	Yes	August 8, 2023	**	N/A
Platte	Village of Guilford	Yes	August 10, 2023	Yes	N/A
	City of Dearborn	**	June 23, 2023	Yes	N/A
	City of Lake Waukomis	Yes	August 22, 2023	No	N/A
	City of Tracy	Yes	August 17, 2023	Yes	N/A
	City of Weston	Yes	August 21, 2023	Yes	Yes
Polk	City of Humansville	Yes	August 8, 2023	Yes	N/A
St. Charles	City of St. Charles	***	July 21, 2023	Yes	**
	City of St. Paul	Yes	August 8, 2023	N/A	N/A
St. Louis	City of Bel Nor	Yes	August 30, 2023	Yes	No
	City of Breckenridge Hills	Yes	August 28, 2023	Yes	Yes
	City of Ellisville	**	June 29, 2023	Yes	Yes
	City of Maryland Heights	**	June 29, 2023	Yes	No
	City of Northwoods	Yes	August 28, 2023	No	**

Appendix F  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023  
Filed in August 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	City of Shrewsbury	Yes	August 31, 2023	No	No
	City of St. John	**	June 29, 2023	Yes	Yes
	City of Twin Oaks	Yes	August 9, 2023	N/A	N/A
	Village of Marlborough	Yes	August 15, 2023	N/A	N/A
Worth	City of Grant City	Yes	August 9, 2023	Yes	N/A
Total Filed		43		19	6

\*\* Filed by June 30, 2023.

\*\*\* Filed after June 30, 2023, but before August 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Stone County, Missouri

The Office of the State Auditor contracted for an audit of Stone County's financial statements for the year ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by Stopp & VanHoy, CPAs and Business Advisors, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick".

Scott Fitzpatrick  
State Auditor

October 2023  
Report No. 2023-068



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

### Recommendations in the contracted audit of Stone County

2022-001

The county periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes. Additionally, the county should closely monitor fund balances on an ongoing basis.

**The County of Stone  
Galena, Missouri  
Independent Auditor's Report and Financial Statements  
For the year ended December 31, 2022**



**The County of Stone  
Galena, Missouri  
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*Independent Auditor's Report*

To the County Commission and  
Officeholders of Stone County, Missouri

**Report on the Audit of the Financial Statements*****Opinions***

We have audited the accompanying financial statements of Stone County, Missouri, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Stone County, Missouri's basic financial statements as listed in the table of contents.

*Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the accompanying financial statements present fairly, in all material respects, the cash balances of each fund of Stone County, Missouri as of December 31, 2022, and their respective cash receipts and disbursements, and budgetary results for the year then ended in accordance with the basis of accounting practices prescribed or permitted by Missouri law as described in Note 1.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of Stone County, Missouri as of December 31, 2022, or the changes in financial position and cash flows thereof for the year then ended.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Stone County, Missouri and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

*Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statements, the financial statements are prepared by Stone County, Missouri on the basis of accounting practices prescribed or permitted by Missouri law to demonstrate compliance with the State of Missouri's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed or permitted by Missouri law to demonstrate compliance with the State of Missouri's regulatory basis of accounting and budget laws. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Stone County, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Stone County, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Stone County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



## **Other Matters**

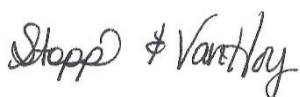
### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Stone County, Missouri's basic financial statements. The Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2023 on our consideration of Stone County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Stone County, Missouri's internal control over financial reporting and compliance.



Creve Coeur, Missouri  
June 27, 2023

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

<u>Fund</u>	Cash and Equivalents January 1, 2022	Receipts 2022	Disbursements 2022	Cash and Equivalents December 31, 2022
General Revenue	\$ 3,617,400	\$ 11,263,628	\$ 11,781,817	\$ 3,099,211
Special Road and Bridge	1,275,209	5,942,450	5,483,277	1,734,382
Road and Bridge Reserve	551,082	51,897	-	602,979
Road and Bridge Capital Improvement	90,610	66,223	57,439	99,394
Road and Bridge Equipment	69,313	117,051	4,142	182,222
Law Enforcement Sales Tax	-	98,893	-	98,893
Flood Control	-	987,593	987,593	-
National Forest	1,219	36,366	36,366	1,219
Assessment	229,047	691,989	623,141	297,895
Law Enforcement Restitution	40,363	18,362	16,483	42,242
Election Grant	9,236	23	4,741	4,518
Law Enforcement Grant	-	-	-	-
Capital Improvement	18,247	140,104	156,338	2,013
Emergency	1,277,909	2,009,141	-	3,287,050
Law Enforcement Training	2,359	2,082	2,995	1,446
Prosecuting Attorney Training	2,543	1,846	989	3,400
Local Emergency Planning Committee	5,863	-	697	5,166
Insurance Claims Proceeds	25,969	31,087	57,032	24
Children's Trust	-	920	920	-
Abuse Victims	288	4,548	4,836	-
Inmate Security	87,264	88,483	133,793	41,954
Special Recorder	166,134	64,138	131,094	99,178
Special Recorder Capital Improvement	360,000	80,000	-	440,000
Sheriff Revolving	48,400	9,914	47,703	10,611
Election Services	15,242	5,015	3,689	16,568
Senior Citizens Service Board	145,651	398,970	363,464	181,157
Prosecuting Attorney Delinquent Tax	13,150	4,220	-	17,370
Drug Abuse Resistance Education (D.A.R.E.)	24,731	14,036	10,954	27,813
Reserve	237,141	162,237	211,941	187,437
Law Enforcement Civil Fees	653	55,375	31,362	24,666
Prosecuting Attorney Bad Check	8,290	4,764	8,005	5,049
Collector's Tax Maintenance	47,972	62,744	31,533	79,183
Tax Maintenance Archive	49,385	10,000	-	59,385
Edgewater Neighborhood Improv. Dist.	3,670	13,498	-	17,168
Black Oak Neighborhood Improv. Dist.	6,450	-	6,449	1
Federal Seized and Forfeiture	439	1	-	440
Tax Increment Financing	-	343,999	343,999	-
Coronavirus Relief	8	-	-	8
American Rescue Plan Act	3,109,387	3,118,264	1,165,308	5,062,343
Bond Development	695,000	-	-	695,000
Total	\$ 12,235,624	\$ 25,899,861	\$ 21,708,100	\$ 16,427,385

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	General Revenue Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ 989,000	\$ 904,349
Sales Taxes	7,870,382	7,951,826
Intergovernmental	313,010	318,864
Charges for Services	1,291,500	1,518,720
Interest	17,000	14,266
Other Receipts	365,500	549,154
Transfers In	6,449	6,449
Total Receipts	10,852,841	11,263,628
<u>Disbursements</u>		
County Commission	233,528	231,511
County Clerk	170,808	167,886
Elections	309,251	256,428
Buildings and Grounds	389,275	381,631
Employee Fringe Benefits	1,646,256	1,399,721
County Treasurer	111,975	107,316
County Collector	378,879	374,727
Recorder of Deeds	197,448	195,281
Circuit Clerk	111,156	66,109
Court Administration	123,860	91,167
Public Administrator	107,318	93,263
Sheriff	2,430,317	2,448,519
Jail	957,864	972,002
Prosecuting Attorney	678,132	630,669
Juvenile Officer	145,373	122,570
County Coroner	87,805	66,578
Emergency Management	37,413	31,199
Janitorial	105,976	105,437
Planning and Zoning	372,755	361,988
Debt Service	360,000	360,054
Other Disbursements	742,928	674,004
Transfers Out	2,658,758	2,643,757
Emergency Fund	-	-
Total Disbursements	12,357,075	11,781,817
Receipts Over (Under)		
Disbursements	\$ (1,504,234)	\$ (518,189)
Cash and Equivalents, Jan 1	3,617,400	3,617,400
Cash and Equivalents, Dec 31	\$ 2,113,166	\$ 3,099,211

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Special Road and Bridge Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ 8,000	\$ 10,532
Sales Taxes	3,403,220	3,421,437
Intergovernmental	1,298,432	1,633,822
Charges for Services	-	-
Interest	6,000	4,964
Other Receipts	10,000	6,449
Transfers In	862,655	865,246
Total Receipts	<u>5,588,307</u>	<u>5,942,450</u>
<u>Disbursements</u>		
Salaries	1,310,256	1,220,255
Employee Fringe Benefits	566,559	469,915
Supplies	346,000	400,677
Insurance	84,690	84,908
Road and Bridge Materials	2,490,000	2,417,766
Equipment Repairs	182,500	208,305
Rentals	6,000	154
Equipment Purchases	450,000	435,029
Other Disbursements	148,050	137,468
Transfers Out	108,800	108,800
Total Disbursements	<u>5,692,855</u>	<u>5,483,277</u>
Receipts Over (Under)		
Disbursements	\$ (104,548)	\$ 459,173
Cash and Equivalents, Jan 1	<u>1,275,209</u>	<u>1,275,209</u>
Cash and Equivalents, Dec 31	<u><u>\$ 1,170,661</u></u>	<u><u>\$ 1,734,382</u></u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Road and Bridge Reserve Fund		Road and Bridge Capital Improvement Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	-	1,897	390	280
Other Receipts	-	-	-	-
Transfers In	50,000	50,000	65,943	65,943
Total Receipts	<u>50,000</u>	<u>51,897</u>	<u>66,333</u>	<u>66,223</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	-	-	-	-
Capital Outlay	500,000	-	156,925	57,439
Transfers Out	-	-	-	-
Total Disbursements	<u>500,000</u>	<u>-</u>	<u>156,925</u>	<u>57,439</u>
Receipts Over (Under)				
Disbursements	\$ (450,000)	\$ 51,897	\$ (90,592)	\$ 8,784
Cash and Equivalents, Jan 1	<u>551,082</u>	<u>551,082</u>	<u>90,610</u>	<u>90,610</u>
Cash and Equivalents, Dec 31	<u><u>\$ 101,082</u></u>	<u><u>\$ 602,979</u></u>	<u><u>\$ 18</u></u>	<u><u>\$ 99,394</u></u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Road and Bridge Equipment Fund		Law Enforcement Sales Tax Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	100,000	98,893
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	-	-	-	-
Other Receipts	100,000	117,051	-	-
Transfers In	-	-	-	-
Total Receipts	<u>100,000</u>	<u>117,051</u>	<u>100,000</u>	<u>98,893</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	-	-	-	-
Capital Outlay	119,813	4,142	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>119,813</u>	<u>4,142</u>	<u>-</u>	<u>-</u>
Receipts Over (Under)				
Disbursements	\$ (19,813)	\$ 112,909	\$ 100,000	\$ 98,893
Cash and Equivalents, Jan 1	<u>69,313</u>	<u>69,313</u>	<u>-</u>	<u>-</u>
Cash and Equivalents, Dec 31	<u>\$ 49,500</u>	<u>\$ 182,222</u>	<u>\$ 100,000</u>	<u>\$ 98,893</u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Flood Control Fund		National Forest Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	987,593	987,593	25,000	36,366
Charges for Services	-	-	-	-
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>987,593</u>	<u>987,593</u>	<u>25,000</u>	<u>36,366</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	131,438	131,438	18,500	27,275
Capital Outlay	-	-	-	-
Transfers Out	856,155	856,155	6,500	9,091
Total Disbursements	<u>987,593</u>	<u>987,593</u>	<u>25,000</u>	<u>36,366</u>
Receipts Over (Under)				
Disbursements	\$ -	\$ -	\$ -	\$ -
Cash and Equivalents, Jan 1	<u>-</u>	<u>-</u>	<u>1,219</u>	<u>1,219</u>
Cash and Equivalents, Dec 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,219</u></u>	<u><u>\$ 1,219</u></u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Assessment Fund		Law Enforcement Restitution Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	485,970	559,455	-	-
Charges for Services	-	-	20,000	18,362
Interest	1,500	1,017	-	-
Other Receipts	3,102	2,962	-	-
Transfers In	128,555	128,555	-	-
Total Receipts	<u>619,127</u>	<u>691,989</u>	<u>20,000</u>	<u>18,362</u>
<u>Disbursements</u>				
Salaries	441,120	364,492	-	-
Employee Fringe Benefits	195,126	155,631	-	-
Materials and Supplies	50,500	38,996	-	-
Services	28,132	22,231	-	-
Other Disbursements	-	-	-	-
Capital Outlay	63,000	41,791	40,000	16,483
Transfers Out	-	-	-	-
Total Disbursements	<u>777,878</u>	<u>623,141</u>	<u>40,000</u>	<u>16,483</u>
Receipts Over (Under)				
Disbursements	\$ (158,751)	\$ 68,848	\$ (20,000)	\$ 1,879
Cash and Equivalents, Jan 1	<u>229,047</u>	<u>229,047</u>	<u>40,363</u>	<u>40,363</u>
Cash and Equivalents, Dec 31	<u><u>\$ 70,296</u></u>	<u><u>\$ 297,895</u></u>	<u><u>\$ 20,363</u></u>	<u><u>\$ 42,242</u></u>

See Notes to the Financial Statements



**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Election Grant Fund		Law Enforcement Grant Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	6,589	-	5,000	-
Charges for Services	-	-	-	-
Interest	-	23	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>6,589</u>	<u>23</u>	<u>5,000</u>	<u>-</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	91	-	-
Services	15,700	4,650	5,000	-
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>15,700</u>	<u>4,741</u>	<u>5,000</u>	<u>-</u>
Receipts Over (Under)				
Disbursements	\$ (9,111)	\$ (4,718)	\$ -	\$ -
Cash and Equivalents, Jan 1	<u>9,236</u>	<u>9,236</u>	<u>-</u>	<u>-</u>
Cash and Equivalents, Dec 31	<u>\$ 125</u>	<u>\$ 4,518</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Capital Improvement Fund		Emergency Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	300	104	10,000	9,141
Other Receipts	-	-	-	-
Transfers In	140,000	140,000	2,000,000	2,000,000
Total Receipts	<u>140,300</u>	<u>140,104</u>	<u>2,010,000</u>	<u>2,009,141</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	-	-	-	-
Capital Outlay	150,000	156,338	300,000	-
Transfers Out	-	-	-	-
Total Disbursements	<u>150,000</u>	<u>156,338</u>	<u>300,000</u>	<u>-</u>
Receipts Over (Under)				
Disbursements	\$ (9,700)	\$ (16,234)	\$ 1,710,000	\$ 2,009,141
Cash and Equivalents, Jan 1	<u>18,247</u>	<u>18,247</u>	<u>1,277,909</u>	<u>1,277,909</u>
Cash and Equivalents, Dec 31	<u><u>\$ 8,547</u></u>	<u><u>\$ 2,013</u></u>	<u><u>\$ 2,987,909</u></u>	<u><u>\$ 3,287,050</u></u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Law Enforcement Training Fund		Prosecuting Attorney Training Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	1,000	1,398	1,500	1,846
Interest	-	-	-	-
Other Receipts	-	684	-	-
Transfers In	-	-	-	-
Total Receipts	<u>1,000</u>	<u>2,082</u>	<u>1,500</u>	<u>1,846</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	3,000	2,995	1,500	989
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>3,000</u>	<u>2,995</u>	<u>1,500</u>	<u>989</u>
Receipts Over (Under)				
Disbursements	\$ (2,000)	\$ (913)	\$ -	\$ 857
Cash and Equivalents, Jan 1	<u>2,359</u>	<u>2,359</u>	<u>2,543</u>	<u>2,543</u>
Cash and Equivalents, Dec 31	<u><u>\$ 359</u></u>	<u><u>\$ 1,446</u></u>	<u><u>\$ 2,543</u></u>	<u><u>\$ 3,400</u></u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Local Emergency Planning Committee Fund		Insurance Claims Proceeds Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	-	-	-	-
Other Receipts	-	-	31,000	31,087
Transfers In	-	-	-	-
Total Receipts	-	-	31,000	31,087
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	5,800	697	-	-
Other Disbursements	-	-	3,600	2,200
Capital Outlay	-	-	16,400	54,832
Transfers Out	-	-	-	-
Total Disbursements	5,800	697	20,000	57,032
Receipts Over (Under)				
Disbursements	\$ (5,800)	\$ (697)	\$ 11,000	\$ (25,945)
Cash and Equivalents, Jan 1	5,863	5,863	25,969	25,969
Cash and Equivalents, Dec 31	\$ 63	\$ 5,166	\$ 36,969	\$ 24

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Children's Trust Fund		Abuse Victims Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	1,000	920	4,525	4,548
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>1,000</u>	<u>920</u>	<u>4,525</u>	<u>4,548</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	1,000	920	4,813	4,836
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>1,000</u>	<u>920</u>	<u>4,813</u>	<u>4,836</u>
Receipts Over (Under)				
Disbursements	\$ -	\$ -	\$ (288)	\$ (288)
Cash and Equivalents, Jan 1	<u>-</u>	<u>-</u>	<u>288</u>	<u>288</u>
Cash and Equivalents, Dec 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Inmate Security Fund		Special Recorder Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	72,400	88,483	68,000	62,438
Interest	-	-	2,500	1,700
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>72,400</u>	<u>88,483</u>	<u>70,500</u>	<u>64,138</u>
<u>Disbursements</u>				
Salaries	-	-	30,160	-
Employee Fringe Benefits	-	-	11,782	-
Materials and Supplies	100,000	17,417	10,000	6,641
Services	-	18,797	26,000	43,333
Other Disbursements	-	-	-	-
Capital Outlay	-	97,579	50,000	1,120
Transfers Out	-	-	80,000	80,000
Total Disbursements	<u>100,000</u>	<u>133,793</u>	<u>207,942</u>	<u>131,094</u>
Receipts Over (Under)				
Disbursements	\$ (27,600)	\$ (45,310)	\$ (137,442)	\$ (66,956)
Cash and Equivalents, Jan 1	<u>87,264</u>	<u>87,264</u>	<u>166,134</u>	<u>166,134</u>
Cash and Equivalents, Dec 31	<u>\$ 59,664</u>	<u>\$ 41,954</u>	<u>\$ 28,692</u>	<u>\$ 99,178</u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Special Recorder		Sheriff Revolving Fund	
	Capital Improvement Fund			
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	25,000	9,914
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	80,000	80,000	-	-
Total Receipts	80,000	80,000	25,000	9,914
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	1,000	4,006
Services	-	-	-	16,707
Other Disbursements	-	-	-	990
Capital Outlay	20,000	-	49,000	-
Transfers Out	-	-	-	26,000
Total Disbursements	20,000	-	50,000	47,703
Receipts Over (Under)				
Disbursements	\$ 60,000	\$ 80,000	\$ (25,000)	\$ (37,789)
Cash and Equivalents, Jan 1	360,000	360,000	48,400	48,400
Cash and Equivalents, Dec 31	<u>\$ 420,000</u>	<u>\$ 440,000</u>	<u>\$ 23,400</u>	<u>\$ 10,611</u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Election Services Fund		Senior Citizens Service Board Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ 336,279	\$ 398,738
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	5,000	5,015	-	-
Interest	-	-	-	232
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>5,000</u>	<u>5,015</u>	<u>336,279</u>	<u>398,970</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	20,000	604	2,500	1,392
Services	-	3,034	393,200	362,072
Other Disbursements	-	51	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>20,000</u>	<u>3,689</u>	<u>395,700</u>	<u>363,464</u>
Receipts Over (Under)				
Disbursements	\$ (15,000)	\$ 1,326	\$ (59,421)	\$ 35,506
Cash and Equivalents, Jan 1	<u>15,242</u>	<u>15,242</u>	<u>145,651</u>	<u>145,651</u>
Cash and Equivalents, Dec 31	<u>\$ 242</u>	<u>\$ 16,568</u>	<u>\$ 86,230</u>	<u>\$ 181,157</u>

See Notes to the Financial Statements



**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Prosecuting Attorney Delinquent Tax Fund		Drug Abuse Resistance Education (D.A.R.E.) Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	1,500	4,220	-	-
Interest	-	-	-	-
Other Receipts	-	-	5,000	14,036
Transfers In	-	-	-	-
Total Receipts	<u>1,500</u>	<u>4,220</u>	<u>5,000</u>	<u>14,036</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	5,000	6,620
Services	1,500	-	-	4,334
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>1,500</u>	<u>-</u>	<u>5,000</u>	<u>10,954</u>
Receipts Over (Under)				
Disbursements	\$ -	\$ 4,220	\$ -	\$ 3,082
Cash and Equivalents, Jan 1	<u>13,150</u>	<u>13,150</u>	<u>24,731</u>	<u>24,731</u>
Cash and Equivalents, Dec 31	<u><u>\$ 13,150</u></u>	<u><u>\$ 17,370</u></u>	<u><u>\$ 24,731</u></u>	<u><u>\$ 27,813</u></u>

See Notes to the Financial Statements

**The County of Stone  
Galena, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2022**

	Reserve Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	-	-
Charges for Services	-	-
Interest	1,200	577
Other Receipts	-	-
Transfers In	161,660	161,660
Total Receipts	<u>162,860</u>	<u>162,237</u>
<u>Disbursements</u>		
Salaries	-	-
Employee Fringe Benefits	-	-
Materials and Supplies	-	-
Services	-	-
Other Disbursements	200,000	211,941
Capital Outlay	-	-
Transfers Out	-	-
Total Disbursements	<u>200,000</u>	<u>211,941</u>
Receipts Over (Under)		
Disbursements	\$ (37,140)	\$ (49,704)
Cash and Equivalents, Jan 1	<u>237,141</u>	<u>237,141</u>
Cash and Equivalents, Dec 31	<u>\$ 200,001</u>	<u>\$ 187,437</u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Law Enforcement Civil Fees Fund		Prosecuting Attorney Bad Check Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	15,000	26,875	4,150	4,746
Interest	-	-	25	18
Other Receipts	12,000	2,500	-	-
Transfers In	-	26,000	-	-
Total Receipts	<u>27,000</u>	<u>55,375</u>	<u>4,175</u>	<u>4,764</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	16,844	-	-
Services	27,000	14,518	4,000	8,005
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>27,000</u>	<u>31,362</u>	<u>4,000</u>	<u>8,005</u>
Receipts Over (Under)				
Disbursements	\$ -	\$ 24,013	\$ 175	\$ (3,241)
Cash and Equivalents, Jan 1	<u>653</u>	<u>653</u>	<u>8,290</u>	<u>8,290</u>
Cash and Equivalents, Dec 31	<u>\$ 653</u>	<u>\$ 24,666</u>	<u>\$ 8,465</u>	<u>\$ 5,049</u>

See Notes to the Financial Statements

**The County of Stone  
Galena, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2022**

	Collector's Tax Maintenance Fund		Tax Maintenance Archive Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	58,000	62,478	-	-
Charges for Services	-	-	-	-
Interest	200	266	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	10,000	10,000
Total Receipts	<u>58,200</u>	<u>62,744</u>	<u>10,000</u>	<u>10,000</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	12,933	50,000	-
Services	70,000	8,600	-	-
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	10,000	10,000	-	-
Total Disbursements	<u>80,000</u>	<u>31,533</u>	<u>50,000</u>	<u>-</u>
Receipts Over (Under)				
Disbursements	\$ (21,800)	\$ 31,211	\$ (40,000)	\$ 10,000
Cash and Equivalents, Jan 1	<u>47,972</u>	<u>47,972</u>	<u>49,385</u>	<u>49,385</u>
Cash and Equivalents, Dec 31	<u><u>\$ 26,172</u></u>	<u><u>\$ 79,183</u></u>	<u><u>\$ 9,385</u></u>	<u><u>\$ 59,385</u></u>

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Edgewater Neighborhood Improvement District Fund		Black Oak Neighborhood Improvement District Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ 13,493		
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	-	5	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	-	13,498	-	-
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	3,670	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	6,449	6,449
Total Disbursements	3,670	-	6,449	6,449
Receipts Over (Under)				
Disbursements	\$ (3,670)	\$ 13,498	\$ (6,449)	\$ (6,449)
Cash and Equivalents, Jan 1	3,670	3,670	6,450	6,450
Cash and Equivalents, Dec 31	\$ -	\$ 17,168	\$ 1	\$ 1

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Federal Seized and Forfeiture Fund		Tax Increment Financing Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	-	1	-	-
Other Receipts	-	-	137,600	137,600
Transfers In	-	-	206,800	206,399
Total Receipts	-	1	344,400	343,999
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	-	-	344,000	343,999
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	-	-	344,000	343,999
Receipts Over (Under)				
Disbursements	\$ -	\$ 1	\$ 400	\$ -
Cash and Equivalents, Jan 1	439	439	-	-
Cash and Equivalents, Dec 31	\$ 439	\$ 440	\$ 400	\$ -

See Notes to the Financial Statements

**The County of Stone**  
**Galena, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2022**

	Coronavirus Relief Fund		American Rescue Plan Act Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	3,000,000	3,103,151
Charges for Services	-	-	-	-
Interest	-	-	10,000	15,113
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	-	-	3,010,000	3,118,264
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	4,500,000	1,165,308
Other Disbursements	7	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	7	-	4,500,000	1,165,308
Receipts Over (Under)				
Disbursements	\$ (7)	\$ -	\$ (1,490,000)	\$ 1,952,956
Cash and Equivalents, Jan 1	8	8	3,109,387	3,109,387
Cash and Equivalents, Dec 31	\$ 1	\$ 8	\$ 1,619,387	\$ 5,062,343

See Notes to the Financial Statements

**The County of Stone  
Galena, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2022**

	Bond Development Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	-	-
Charges for Services	-	-
Interest	3,000	-
Other Receipts	-	-
Transfers In	14,600	-
Total Receipts	<u>17,600</u>	<u>-</u>
<u>Disbursements</u>		
Salaries	-	-
Employee Fringe Benefits	-	-
Materials and Supplies	-	-
Services	-	-
Other Disbursements	698,000	-
Capital Outlay	-	-
Transfers Out	-	-
Total Disbursements	<u>698,000</u>	<u>-</u>
Receipts Over (Under)		
Disbursements	\$ (680,400)	\$ -
Cash and Equivalents, Jan 1	<u>695,000</u>	<u>695,000</u>
Cash and Equivalents, Dec 31	<u>\$ 14,600</u>	<u>\$ 695,000</u>

See Notes to the Financial Statements



**The County of Stone**  
**Galena, Missouri**  
**Statements of Assets and Liabilities Arising From Cash Transactions**  
**Custodial Funds - Regulatory Basis**  
**For the year ended December 31, 2022**

	County Clerk	Collector	Recorder	Sheriff	Prosecuting Attorney
<b>Assets</b>					
Cash and Equivalents	\$ 689	\$ 29,329,134	\$ 37,924	\$ 433,578	\$ 21
Total Assets	689	29,329,134	37,924	433,578	21
<b>Liabilities and Fund Balances</b>					
Total Liabilities	689	29,329,134	37,924	433,578	21
Fund Balances	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 689	\$ 29,329,134	\$ 37,924	\$ 433,578	\$ 21
	Planning & Zoning	Public Administrator	Treasurer	Total	
<b>Assets</b>					
Cash and Equivalents	\$ 2,247,529	\$ 1	\$ 713,616	\$ 32,762,492	
Total Assets	2,247,529	1	713,616	32,762,492	
<b>Liabilities and Fund Balances</b>					
Total Liabilities	2,247,529	1	713,616	32,762,492	
Fund Balances	-	-	-	-	
Total Liabilities and Fund Balances	\$ 2,247,529	\$ 1	\$ 713,616	\$ 32,762,492	

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 1 - Summary of Significant Accounting Policies**

Organized in 1851, the county of Stone was named after pioneer judge William Stone. It is a third-class county, and the county seat is Galena. Stone County's government is composed of a three-member county commission and the following separately elected Constitutional Officers: County Clerk, Collector, Treasurer, Circuit Clerk, Recorder of Deeds, Sheriff, Assessor, Coroner, Public Administrator and Prosecuting Attorney.

As discussed further in Note 1, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of Stone County, Missouri and the Stone County Senior Citizens Service Board.

Stone County's operations include tax assessments and collections, state/county courts, county recorder, public safety, transportation, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include only the primary government of Stone County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise Stone County's legal entity. The Stone County Senior Citizens Service Board is controlled by a separate board and is also included under the control of Stone County.

The financial statements do not include financial data for the County's legally separate component unit, which accounting principles generally accepted in the United States of America, as applicable to the regulatory basis of accounting, require to be reported with the financial data of the County. In accordance with accounting principles generally accepted in the United States of America, as applicable to the regulatory basis of accounting, the Stone County Senate Bill 40 Board has issued separate reporting entity financial statements. For information on this component unit, please contact the Senate Bill 40 Board at (417) 272-0444 or write to P.O. Box 2383, Branson West, MO 65737.

Certain elected County officials, such as the County Collector, Treasurer, and Sheriff, collect and hold monies in a trustee capacity as an agent of an individual, taxing units, or other governments. These assets, which are held by these officeholders for the sole benefit of external parties, are included in the Statement of Assets and Liabilities Arising from Cash Transactions - Custodial Funds - Regulatory Basis.

Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of all funds of Stone County, Missouri, and the comparisons of such information with the corresponding budgeted information for all funds of the County. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission or an elected county official. The General Revenue Fund is the County's general operation fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Basis of Accounting

The financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

As a result of the use of this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation, bonds, and obligations under capital leases), and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If Stone County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Budget and Budgetary Accounting

In accordance with Chapter 50 RSMo, Stone County adopts a budget for each governmental fund.

On or before January 15th, each elected official and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.

The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.

A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.

Prior to February 1, the budget is legally enacted by a vote of the County Commission.

Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget financial statements.

Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.

Budgets are prepared and adopted on the cash basis of accounting.

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Budget and Budgetary Accounting (continued)

During the audit, it was noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo.

The following funds had actual expenditures that exceeded the budget expenditures:

National Forest Fund  
Capital Improvement Fund  
Insurance Claims Proceeds Fund  
Abuse Victims Fund  
Inmate Security Fund  
Drug Abuse Resistance Education (D.A.R.E) Fund  
Reserve Fund  
Law Enforcement Civil Fees Fund  
Prosecuting Attorney Bad Check Fund

Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuation of the tangible taxable property, included within Stone County's boundaries for the calendar year for the purposes of County taxation, was as follows:

Real Estate	\$ 584,838,570
Personal Property	209,626,965
Railroad and Utilities	<u>7,656,268</u>
	<u><u>\$ 802,121,803</u></u>

The tax levy per \$100 assessed valuation of tangible taxable property for the calendar year, for the purpose of County taxation, was as follows:

General Revenue	\$ 0.0569
Senior Citizens Service Board	0.0482

The County also receives sales tax collected by the State and remitted based on the County's sales tax rate to the total sales tax collected in the County.

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and cash equivalent and investment balances are presented in Note 2.

Interfund Transactions

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing.

Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

**Note 2 - Deposits and Investments**

Stone County maintains a cash and temporary investment pool that is available for use by all funds. Deposits with maturities greater than three months are considered investments. Each fund type's portion of this pool is displayed on the statement of receipts, disbursements, and changes in cash arising from cash transactions as "Cash and Equivalents." Cash held for others is displayed on the statement of assets and liabilities from cash transactions as "Cash and Equivalents."

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

The bank balances and carrying values of deposits and investments shown below are included in the financial statements at December 31, 2022, as follows:

	<u>Carrying Value</u>	<u>Bank Balances</u>
Deposits	\$ 49,139,877	\$ 41,464,473
Investments	50,000	50,094
Total Deposits and Investments as of December 31, 2022	<u>\$ 49,189,877</u>	<u>\$ 41,514,567</u>
 Total Cash and Equivalents - Governmental Funds	 \$ 16,427,385	
Total Cash and Equivalents - Custodial Funds	32,762,492	
	<u>\$ 49,189,877</u>	

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 2 - Deposits and Investments (continued)**

Custodial Credit Risk - Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At December 31, 2022, 100% of Stone County's deposits and investments were covered by the Federal Deposit Insurance Company (FDIC) or were collateralized.

Custodial Credit Risk - Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party that sold the security to Stone County or its agent but not in the government's name. Stone County does not have a policy for custodial credit risk relating to investments.

All investments, evidenced by individual securities, are registered in the name of Stone County or of a type that are not exposed to custodial credit risk.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Stone County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by Stone County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). Stone County has no policy in place to minimize the risk of loss resulting from over concentration of assets of a specific maturity, specific issuer or specific class of securities. 100% of investments were held as certificates of deposit at Table Rock Community Bank for the year ended December 31, 2022.

**The County of Stone**  
**Galena, Missouri**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2022**

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**Note 3 - Interfund Transfers**

Transfers between funds for the year ended December 31, 2022 are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Revenue	\$ 6,449	\$ 2,643,757
Special Road and Bridge	865,246	108,800
Road and Bridge Reserve	50,000	-
Road and Bridge Capital Improvement	65,943	-
Flood Control	-	856,155
National Forest	-	9,091
Assessment	128,555	-
Capital Improvement	140,000	-
Emergency Fund	2,000,000	-
Special Recorder	-	80,000
Special Recorder Capital Improvement	80,000	-
Sheriff Revolving	-	26,000
Reserve	161,660	-
Law Enforcement Civil Fees	26,000	-
Collector's Tax Maintenance	-	10,000
Tax Maintenance Archive	10,000	-
Black Oak Neighborhood Improv. Dist.	-	6,449
Tax Increment Financing	206,399	-
Total	<u>\$ 3,740,252</u>	<u>\$ 3,740,252</u>

**Note 4 - Long-Term Debt**

Certificates of Participation

In 2018, Stone County issued \$5,760,000 in Refunding and Improvement Certificates of Participation (COP's) for the purpose of refunding the 2009 Refunding Certificates of Participation and paying the costs of construction and equipping new additions to the County's existing Stone County Justice Center. Principal payments are due annually on December 1; interest is payable semi-annually on June 1 and December 1 with annual variable interest rates at 3.00% - 3.50%.

<u>Balance at</u> <u>12/31/21</u>	<u>Amount</u> <u>Borrowed</u>	<u>Amount</u> <u>Repaid</u>	<u>Balance at</u> <u>12/31/22</u>	<u>Interest</u> <u>Paid During</u> <u>the Year</u>
<u>\$ 4,600,000</u>	<u>\$ -</u>	<u>\$ (210,000)</u>	<u>\$ 4,390,000</u>	<u>\$ 149,154</u>

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

**Note 4 - Long-Term Debt (continued)**

Certificates of Participation (continued)

Future minimum payments due on the Series 2018 Refunding and Improvement Certificates of Participation are as follows:

Year ended December 31	Principal	Interest	Total
2023	\$ 215,000	\$ 142,854	\$ 357,854
2024	220,000	136,404	356,404
2025	230,000	129,804	359,804
2026	235,000	122,904	357,904
2027	245,000	115,854	360,854
2028-2032	1,335,000	462,644	1,797,644
2033-2037	1,565,000	194,609	1,759,609
2038	345,000	12,075	357,075
	<u>\$ 4,390,000</u>	<u>\$ 1,317,148</u>	<u>\$ 5,707,148</u>

Lease-Purchase Agreements

In October 2019, the County entered into a lease purchase agreement to finance the purchase of Sheriff's department radio equipment at a cost of \$470,854. The agreement requires one annual payment of \$84,301 and two subsequent annual payments of \$205,054, which includes interest payable at 2.98%.

In November 2019, the County entered into a lease purchase agreement to finance the purchase of a Caterpillar Motor Grader at a cost of \$135,000. The agreement requires eighty-four monthly payments of \$1,841, which includes interest payable at 3.94%.

In October 2020, the County entered into a lease purchase agreement to finance the purchase of two Sheriff's department patrol vehicles at a cost of \$69,108. The agreement requires six semi-annual payments of \$12,335, which includes interest payable at 3.99%.

In April 2021, the County entered into a lease purchase agreement to finance the purchase of three Sheriff's department patrol vehicles at a cost of \$105,622. The agreement requires three annual payments of \$38,054, which includes interest payable at 3.92%.

	Balance at 12/31/21	Amount Borrowed	Amount Repaid	Balance at 12/31/22	Interest Paid During the Year
Radio Equipment	\$ 199,205	\$ -	\$ (199,205)	\$ -	\$ 5,849
Motor Grader	98,627	-	(18,546)	80,081	3,551
Sheriff Patrol Vehicles - #2	46,976	-	(23,024)	23,952	1,647
Sheriff Patrol Vehicles - #3	105,622	-	(33,839)	71,783	4,215
	<u>\$ 450,430</u>	<u>\$ -</u>	<u>\$ (274,614)</u>	<u>\$ 175,816</u>	<u>\$ 15,262</u>



**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 4 - Long-Term Debt (continued)**

Lease-Purchase Agreements (continued)

Future minimum payments due on all lease purchase agreements are as follows:

Year ended December 31	Principal	Interest	Total
2023	\$ 78,431	\$ 6,393	\$ 84,824
2024	56,657	3,495	60,152
2025	20,867	1,230	22,097
2026	19,862	393	20,255
	<u>\$ 175,817</u>	<u>\$ 11,511</u>	<u>\$ 187,328</u>

**Note 5 - County Employees' Retirement Fund (CERF)**

Plan Description

The County Employees' Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elected or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under RSMo. Sections 56.800 to 56.840, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under RSMo. Sections 57.949 to 57.997, and certain personnel not defined as an employee per RSMo. Section 50.1000(8). The Fund was created by an act of legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of eleven persons.

Benefits Provided

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, Missouri, 65101, by calling (573) 632-9203, or by visiting the CERF website at [www.mocerf.org](http://www.mocerf.org).

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 5 - County Employees' Retirement Fund (CERF) (continued)**

Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to make contributions of 6%. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 6% contribution on behalf of employees. The County collected and remitted CERF employee contributions of \$281,074 for the year ended December 31, 2022.

In addition to the above contributions required of employees, the following fees and penalties prescribed under Missouri law are required to be collected and remitted to CERF by counties covered by the plan:

- Late fees on filing of personal property tax declarations,
- Twenty dollars on each merchants and manufacturers license issued,
- Six dollars on each document recorded or filed with county recorders of deeds, with an additional one dollar on each document recorded,
- Three sevenths of the fee on delinquent property taxes, and
- Interest earned on investment of the above collections prior to remittance to CERF.

The County collected and remitted CERF fees and penalties of \$417,441 for the year ended December 31, 2022.

Further information related to required contributions, pension benefits, other plan terms, and investments and related return and financial information can be found in the notes to the financial statements of CERF's Annual Financial Report.

**Note 6 - Prosecuting Attorney Retirement Fund**

In accordance with state statute Section 56.807 RSMo, Stone County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys' and Circuit Attorneys' Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. Stone County has contributed \$11,628 for the year ended December 31, 2022.

**Note 7 - Other Retirement Plan**

Stone County has voluntary 457 and 401(a) plans administered by Empower Retirement (formerly Great-West Retirement Services) which are paid by a deduction from employees' salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2022 for the 457 plan were \$186,403. Employee contributions collected and remitted by the County for the year ended December 31, 2022 for the 401(a) plan were \$38,460.

**Note 8 - Post-Employment Benefits**

Stone County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by Stone County.

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 9 - Claims, Commitments and Contingencies**

Litigation

The County is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Compensated Absences

The County provides employees with up to 200 hours (25 days) of paid vacation based upon the number of years of continuous service. Vacation days do not carry forward if they are unused. Upon termination, an employee is reimbursed for any unused vacation days. Employees accrue one sick day per month. The County allows employees to carry forward a maximum of 320 hours (40 days). Accumulated sick leave is not paid out upon termination of employment. These have not been subjected to auditing procedures.

Federal and State Assisted Programs

The County receives proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned. Such audits could result in refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

Other Commitments

Part of the County's taxing district contains a redevelopment area subject to a tax increment financing (TIF) plan where the County must remit certain economic activity taxes to a local business for the purpose of reimbursing certain costs of development. The County is committed to remitting these taxes through the year ended December 31, 2030; future amounts are based on overall taxes collected for the redeveloped area and cannot be estimated. Payments remitted for the year ended December 31, 2022 totaled \$137,599. Additionally, the County collected and remitted \$206,399 for the year ended December 31, 2022, on behalf of another agency included in the TIF plan.

**Note 10 - Risk Management**

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**Note 11 - Economic Concentrations**

Approximately 29.91% of the County's sales tax revenues received was remitted by two taxpayers located in the County, for the year ended December 31, 2022. Any material reduction in sales tax could result in a significant impact to the County's operations.

**The County of Stone  
Galena, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2022**

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**Note 12 - Subsequent Events**

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through June 27, 2023, the date the financial statements were available to be issued.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING and on  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS*

*Independent Auditor's Report*

To the County Commission and  
Officeholders of Stone County, Missouri

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of Stone County, Missouri as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Stone County, Missouri's basic financial statements, and have issued our report thereon dated June 27, 2023.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Stone County, Missouri's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Stone County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Stone County, Missouri's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Stone County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under

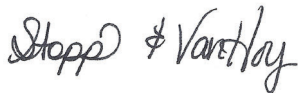
*Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item 2022-001.

### **Stone County, Missouri's Response to Findings**

Stone County, Missouri's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Stone County, Missouri's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Stopp & VanHoy". The signature is written in a cursive, flowing style.

Creve Coeur, Missouri  
June 27, 2023

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

*Independent Auditor's Report*

To the County Commission and  
Officeholders of Stone County, Missouri

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Stone County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Stone County, Missouri's major federal programs for the year ended December 31, 2022. Stone County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Stone County, Missouri complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Stone County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Stone County, Missouri's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Stone County, Missouri's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Stone County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Stone County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Stone County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Stone County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Stone County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

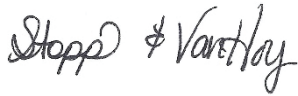
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant



deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Stopp & VantHoy". The signature is written in a cursive, flowing style.

Creve Coeur, Missouri  
June 27, 2023

**The County of Stone  
Galena, Missouri  
Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Number	Federal Expenditures	Awards Provided to Subrecipients
<b>U.S. Department of Agriculture</b>				
Forest Service Schools and Roads Cluster				
Passed through state:				
Missouri Office of Administration				
Schools and Roads - Grants to States	10.665	n/a	\$ 20,399	\$ 15,299
Total Forest Service Schools and Roads Cluster			20,399	15,299
<b>U.S. Department of Defense</b>				
Passed through state:				
Missouri Office of Administration				
Payments to States in Lieu of Real Estate Taxes	12.112	n/a	987,594	131,438
<b>U.S. Department of the Interior</b>				
Direct Program:				
Payments in Lieu of Taxes	15.226	n/a	140,050	-
Passed through state:				
Missouri Office of Administration				
National Forest Acquired Lands	15.438	n/a	15,967	11,975
<b>U.S. Department of Justice</b>				
Passed through state:				
Missouri Association of Prosecuting Attorneys				
Crime Victim Assistance	16.575	MAPA22-23Stone	19,297	-
Crime Victim Assistance	16.575	MAPASStone2022	36,013	-
Crime Victim Assistance	16.575	MAPASStone19-21	20,222	-
			75,532	-
<b>U.S. Department of Transportation</b>				
Highway Safety Cluster				
Passed through state:				
Missouri Department of Transportation				
State and Community Highway Safety	20.600	22-PT-02-045	3,498	-
Total Highway Safety Cluster			3,498	-
<b>U.S. Department of Treasury</b>				
Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	n/a	1,165,308	-
<b>U.S. Department of Homeland Security</b>				
Passed through state:				
Missouri Department of Public Safety				
Emergency Management Performance Grants	97.042	EMK-2021-EP-00006-112	5,363	
Emergency Management Performance Grants	97.042	EMK-2022-EP-00004-105	6,782	-
			12,145	-
Total Expenditures of Federal Awards			\$ 2,420,493	\$ 158,712

See Notes to the Schedule of Expenditures of Federal Awards

**The County of Stone  
Galena, Missouri  
Notes to Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2022**

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**Note 1 - Summary of Significant Accounting Policies**

Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This Uniform Guidance requires a schedule that provides total federal awards expended for each federal program and the assistance listing number or other identifying number when the assistance listing number is not available.

This schedule includes all federal awards administered by Stone County, Missouri.

Basis of Presentation

The *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Because the Schedule presents only a selected portion of the operations of Stone County, Missouri, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Stone County, Missouri.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Federal expenditures are considered to have occurred when cash is disbursed for allowable expenditures.

Stone County, Missouri has not elected to use the 10% de minimis indirect cost rate.

**Note 2 - Donated Personal Protective Equipment**

Stone County received no donated personal protective equipment which had been purchased with federal funds. This footnote is unaudited.

**The County of Stone  
Galena, Missouri  
Schedule of Findings and Questioned Costs  
For the year ended December 31, 2022**

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**Section 1 - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued

Unmodified Regulatory Basis

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes   X   No

Significant deficiencies identified that are  
not considered to be material weaknesses?

\_\_\_\_\_ Yes   X   None Reported

Any noncompliance material to financial  
statements noted?

  X   Yes \_\_\_\_\_ No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

\_\_\_\_\_ Yes   X   No

Significant deficiencies identified  
not considered to be material weaknesses?

\_\_\_\_\_ Yes   X   None Reported

Type of auditor's report issued on  
compliance for major programs:

Unmodified

Any audit findings disclosed that are  
required to be reported in accordance  
with section 2 CFR section 200.516(a)?

\_\_\_\_\_ Yes   X   No

Identification of Major Programs:

Assistance Listing Number

21.027

Name of Federal Program or Cluster

COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish  
between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ Yes   X   No

**The County of Stone  
Galena, Missouri  
Schedule of Findings and Questioned Costs  
For the year ended December 31, 2022**

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**Section 2 - Financial Statement Findings**

2022-001 **Criteria:** Missouri statutes requires Counties to prepare an annual budget as applicable to each fund. Expenditures are not to exceed the budget.

**Condition:** During our audit, it was noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo.

The following funds had actual expenditures that exceeded the budget expenditures:

- National Forest Fund
- Capital Improvement Fund
- Insurance Claims Proceeds Fund
- Abuse Victims Fund
- Inmate Security Fund
- Drug Abuse Resistance Education (D.A.R.E) Fund
- Reserve Fund
- Law Enforcement Civil Fees Fund
- Prosecuting Attorney Bad Check Fund

**Cause:** Oversight

**Effect:** Due to exceeding budget in certain funds, the County is in violation of Missouri Revised Statutes.

**Recommendation:** We recommend that the County periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes. Additionally, the County should closely monitor fund balances on an ongoing basis.

**Management's Response:** The County Clerk will perform a detailed review of budgetary statutes and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary. The expected completion date is December 31, 2023. The phone number for the County Clerk is (417) 357-6127.

**Section 3 - Federal Award Findings**

None noted.

**The County of Stone  
Galena, Missouri  
Summary Schedule of Prior Year Findings and Questioned Costs  
For the year ended December 31, 2022**

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In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Stone County, Missouri, on the applicable findings in the prior audit report issued for the year ended December 31, 2021.

**Prior Year Financial Statement Findings**

2021-001 **Criteria:** Missouri statutes requires Counties to prepare an annual budget as applicable to each fund. Expenditures are not to exceed the budget.

**Condition:** During our audit, it was noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo.

The following funds had actual expenditures that exceeded the budget expenditures:

- Flood Control Fund
- Law Enforcement Grant Fund
- Children's Trust Fund
- Abuse Victims Fund
- Sheriff Revolving Fund
- Law Enforcement Civil Fees Fund
- Collector's Tax Maintenance Fund
- Coronavirus Relief Fund

**Cause:** Oversight

**Effect:** Due to exceeding budget in certain funds, the County is in violation of Missouri Revised Statutes.

**Recommendation:** We recommend that the County periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes. Additionally, the County should closely monitor fund balances on an ongoing basis.

**Management's Response:** The County Clerk will perform a detailed review of budgetary statutes and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary. The expected completion date is December 31, 2022. The phone number for the County Clerk is (417) 357-6127.

**Status:** Management has not corrected this issue, therefore, this finding is repeated as 2022-001 in the current year.

**Prior Year Federal Award Findings and Questioned Costs**

None noted.

# **Denise Dickens**

## **Stone County Clerk**

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### **CORRECTIVE ACTION PLAN**

**Audit Finding Reference: 2022-001**

**Planned Corrective Action:** The County Clerk will perform a detailed review of budgetary statutes and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary.

**Name of Contact Person:** Denise Dickens, Stone County Clerk (417) 357-6127

**Anticipated completion date:** The expected completion date is December 31, 2023.

**P.O. Box 45 • 108 East 4th Street • Galena, MO 65656  
(417)-357-6127 • FAX: (417)-357-8087  
Denise.Dickens@stonecountymo.gov**



# Scott Fitzpatrick

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## Missouri State Auditor

### Ray County

Report No. 2023-067

October 2023

[auditor.mo.gov](https://auditor.mo.gov)





# CITIZENS SUMMARY

## Findings in the audit of the Ray County

Missing Money	From January 2018 through December 2020, Sheriff's office personnel receipted \$2,549 in conceal carry weapon permit and \$443 in sex offender registry fees that were not transmitted to the County Treasurer and are missing.
Sheriff's Controls and Procedures	Controls and procedures in the Sheriff's office needed significant improvement. Neither the prior nor the current Sheriff adequately segregated accounting duties or performed supervisory reviews of accounting and bank records. The procedures for receipting, recording, depositing and transmitting money were inadequate and, as a result, there is no assurance all money collected was properly receipted, recorded, and deposited or transmitted. The Sheriff's office did not prepare bank reconciliations or monthly lists of liabilities for the civil process, inmate, commissary, inmate security, and bond accounts. Additionally, Sheriff's office personnel did not ensure bills were paid timely and bank account balances were not properly monitored, and the office did not properly retain many financial records.
Inmate Account and Commissary Controls and Procedures	Controls over non-monetary adjustments posted to inmate accounts need improvement. During the year December 31, 2020, the Sheriff's office spent at least \$5,543 on unsupported and/or questionable purchases with commissary account funds. The office does not disburse commissary net proceeds to the county Inmate Prisoner Detainee Security Fund as required by state law. In addition, the Sheriff's office does not maintain records of commissary net proceeds, and does not have adequate procedures to ensure all inmate money is refunded upon release. The Sheriff's office does not charge sales taxes on commissary sales and remit them to the Department of Revenue.
Sunshine Law	The County Commission did not always ensure compliance with the Sunshine Law for closed meetings and notices and agendas.
Prosecuting Attorney's Controls and Procedures	The Prosecuting Attorney has not adequately segregated accounting duties or ensured documented supervisory reviews. Office procedures for receipting, recording, and depositing money need improvement. The Prosecuting Attorney's office did not timely disburse restitution payments to victims. Additionally, the office did not ensure bank reconciliations were accurately prepared for the restitution and bad check accounts, monthly lists of liabilities were not prepared to reconcile to the available cash balance, and procedures to routinely follow-up on outstanding checks have not been established.
Personnel Policies and Procedures	County officials do not always follow personnel policies. In addition, procedures to monitor compensatory time balances are not sufficient.
Electronic Communications Policy	The county has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission.

Additional Comments	Because counties are managed by several separately-elected individuals, an audit finding made with respect to one office does not necessarily apply to the operations in another office. The overall rating assigned to the county is intended to reflect the performance of the county as a whole. It does not indicate the performance of any one elected official or county office.
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In the areas audited, the overall performance of this entity was **Poor**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Ray County

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## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

County Commission  
and  
Officeholders of Ray County

We have audited certain operations of Ray County in fulfillment of our duties under Section 29.230, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2020. The objectives of our audit were to:

1. Evaluate the county's internal controls over significant management and financial functions.
2. Evaluate the county's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the county, as well as certain external parties; and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the county's management and was not subjected to the procedures applied in our audit of the county.

For the areas audited, we identified (1) deficiencies in internal control, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of Ray County.

A handwritten signature in black ink, reading "S. Fitzpatrick". The signature is stylized, with a large "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

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# Ray County

## Management Advisory Report

### State Auditor's Findings

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#### **1. Missing Money**

From January 2018 through December 2020, Sheriff's office personnel receipted \$2,549 in conceal carry weapon (CCW) permit (see Appendix A) and \$443 in sex offender registry (SOR) fees (see Appendix B) that were not transmitted to the County Treasurer and are missing.

We identified discrepancies between recorded CCW and SOR fee receipts and amounts transmitted to the County Treasurer during initial test work. After identification of missing money for 2020, we applied limited procedures to 2018 and 2019 for the purpose of identifying and quantifying any additional missing money.

Prior to January 2021, a jailer and the Office Manager issued manual receipt slips for CCW, SOR, and miscellaneous fees received and placed the money in a locked drawer. The jailer and Office Manager recorded the receipts on a monthly receipt log and transmitted the money to the County Treasurer approximately once a month. They did not provide the County Treasurer with a record of each individual receipt included in the transmittal. The current Sheriff, Scott Childers, took office in January 2021, and more than half of his predecessor's employees resigned or were not retained, including the former employees primarily responsible for receipting, recording, and transmitting CCW and SOR fees in question during the period reviewed.

Because the missing receipts were recorded on the monthly receipt logs, we determined the money went missing between the time the money was removed from the locked drawer and recorded on the monthly receipt logs and the transmittal to the County Treasurer. Due to office turnover, we could not determine which employees had access to the money after it was removed from the locked drawer and recorded and when it was transmitted to the County Treasurer.

The lack of segregation of duties, inadequate controls, and the absence of oversight as discussed in MAR finding number 2, resulted in the missing receipts going undetected.

#### **Recommendation**

The Sheriff work with the County Commission and other law enforcement officials regarding the missing money and take the necessary actions to seek restitution for amounts missing.

#### **Auditee's Response**

*We contacted several local law enforcement agencies early in my administration regarding an investigation of the missing money; however, due to lack of information and missing records we were unable to get any assistance and complete the investigation. In addition, the former Sheriff's office employees were not bonded and as a result, we were unable to recover the missing money. We will work with the County Clerk's office to obtain a surety bond for all current employees that have access to bank accounts and money received.*



Ray County  
Management Advisory Report - State Auditor's Findings

## 2. Sheriff's Controls and Procedures

Controls and procedures in the Sheriff's office needed significant improvement.

The office processed receipts for civil process fees, CCW, SOR, and miscellaneous receipts totaling approximately \$40,000 during the year ended December 31, 2020. The receipts were either transmitted to the County Treasurer or deposited into Sheriff's office bank accounts (civil process fees are deposited into the civil process account). In addition, the office provides a commissary to inmates and maintains separate inmate, commissary, and bond bank accounts. The office opened a new inmate security bank account when it changed to a new commissary vendor and system in April 2021. Inmate, commissary, and bond deposits totaled approximately \$202,000 during the year ended December 31, 2020.

Prior to April 2021, inmate money was receipted and recorded to a computerized commissary system and deposited into the inmate and commissary bank accounts. In addition, prior to April 2021, bond money was receipted on manual receipt slips and deposited into the bond account.

The Sheriff's office implemented a new computerized commissary system in April 2021. The system allows inmate money to be deposited into 2 kiosks and applied to an inmate's commissary account. The Sheriff's office is also depositing bond money into the kiosks. The Jail Administrator retrieves the money from the kiosks and uses system reports to determine the amount of bond and inmate receipts to be deposited into the appropriate bank account.

### 2.1 Segregation of duties

Neither the prior nor the current Sheriff adequately segregated accounting duties or performed supervisory reviews of accounting and bank records.

- Under the prior Sheriff, both a jailer and the Office Manager were primarily responsible for receipting, recording, and transmitting money received for CCW permits, SOR, and miscellaneous receipts; preparing monthly receipt logs; depositing, disbursing, and reconciling bond money; and billing for prisoner board with no independent or supervisory review. Currently, these duties are all performed by the Office Manager.
- The Civil Process Clerk was primarily responsible for civil paper service transactions, including receipting, recording, and depositing money; and preparing disbursements and bank reconciliations.
- The Jail Administrator was primarily responsible for inmate and commissary money, including receipting, recording, depositing, and preparing disbursements and bank reconciliations. The Jail Administrator also handled the commissary inventory, including purchasing and stocking inventory items, distributing ordered items to inmates, and maintaining commissary records.



## Ray County Management Advisory Report - State Auditor's Findings

The Sheriff indicated he occasionally reviewed deposits, time cards, and checks written by the Office Manager; however, the Sheriff's reviews did not include a documented review of detailed time, receipt, and disbursement records. The Sheriff indicated there were insufficient staff at the beginning of his administration to segregate duties; however, the office has since hired additional staff and has now adequately segregated accounting duties.

Proper segregation of duties is necessary to ensure all transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties cannot be achieved, documented independent or supervisory reviews of accounting and bank records are essential to ensure bank records agree with accounting records and all receipts are accounted for properly.

### 2.2 Receipting, recording, depositing, and transmitting

Conceal carry weapon permits, sex offender registration fees, and miscellaneous receipts

The Sheriff's office procedures for receipting, recording, depositing and transmitting money were inadequate. As a result, there is no assurance all money collected was properly receipted, recorded, and deposited or transmitted.

We identified the following concerns with CCW permits, SOR fees, and miscellaneous receipts:

- Due to the turnover in the Sheriff's office, we could not determine if receipt slips were issued by former Sheriff's office personnel for miscellaneous receipts for the 3 years ended December 31, 2020. We did not locate any receipt slips for report copy, trailer inspection, and other miscellaneous receipts transmitted to the County Treasurer. In addition, we could not locate 6 CCW receipt slips totaling \$550 from receipt books used in May and October 2020, and in November 2019. Also, we could not locate 2 SOR receipt slips from a receipt book used in January 2018. No related receipts were recorded in the receipt logs and the amount received, if any, is unknown.
- Former Sheriff's office personnel did not always or accurately record the method of payment on receipt slips and the monthly receipt logs did not indicate the method of payment. As a result, the Sheriff's office could not reconcile the composition of receipts to the composition of transmittals.
- Former Sheriff's office personnel did not maintain accurate monthly receipt logs. We noted many of the logs did not have accurate totals. In addition, some logs did not include all receipt slips issued for the month, and 3 SOR receipts from January, April, and May 2018, were recorded on the logs at different amounts than what was recorded on the receipt slips.





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Ray County  
Management Advisory Report - State Auditor's Findings

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- Former Sheriff's office personnel did not transmit receipts to the County Treasurer timely. For example, February 2020 CCW and SOR receipts were not transmitted until March 31, 2020, and April 2020 CCW and SOR receipts were not transmitted until May 28, 2020.
- During our May 2021 cash counts of report copy and trailer inspection receipts, we noted Sheriff's office personnel had not issued receipt slips for all report copy receipts on hand. The Office Manager at the time of the cash count indicated receipt slips were only issued for cash received. In addition, 2 receipt slip books were used at the same time for both types of receipts. Some receipt slips were skipped and were not used. As a result, the Sheriff's office could not account for the numerical sequence of receipt slips to ensure that all receipts were recorded and transmitted properly.
- Also, during our May 2021 cash count we noted office personnel did not restrictively endorse checks upon receipt. Instead the County Treasurer endorsed the checks upon transmittal each month.

Inmate and bond receipts

We identified the following concerns with inmate and bond receipts:

- Former Sheriff's office personnel did not issue receipt slips for all bond money received during the year ended December 31, 2020. We noted \$2,784 more was deposited to the bond account than was receipted. In addition, former Sheriff's office personnel did not retain inmate receipt records for deposits totaling \$54,254 during the year ended December 31, 2020.
- Former Sheriff's office personnel mistakenly deposited inmate money totaling \$2,475 into the bond account on May 14, 2020.
- Former personnel made transfers totaling \$31,300 between the inmate and commissary accounts during the year ended December 31, 2020, and did not retain documentation to support the transfers.
- Sheriff's office personnel did not record inmate and bond money totaling \$43,494 in the commissary system that was deposited to the commissary and bond accounts from April 2021 to December 2021. As a result, inmate account balances are not accurate. In addition, the Sheriff's office did not obtain a report of receipts from the kiosk when removing money for deposit for 9 of 40 daily deposits reviewed between April 1, 2021, and December 31, 2021. The amount deposited on these 9 days totaled \$33,228. The Jail Administrator prepared the deposit slips for the 9 days to equal the amount removed, with no report of receipts to support the amount deposited.



## Ray County Management Advisory Report - State Auditor's Findings

- The Sheriff's office transferred money between its bank accounts without retaining any supporting documentation to explain the transfers. These transfers included: \$4,639 from the commissary account to the bond account in July and September 2021, \$3,100 from the inmate security account to the bond account in October and November 2021, and \$10,500 from the inmate security account to the commissary account in August, October, and November 2021.

### Conclusion

Failure to implement adequate receipting, recording, and depositing and transmitting procedures increases the risk that loss, theft, or misuse of money will go undetected and accounting records will contain errors. To reduce this risk, procedures should be established to ensure all money received is properly receipted, recorded, and deposited or transmitted. Inadequate receipting, recording, and depositing and transmitting procedures helped conceal the missing money noted in MAR finding number 1. The Sheriff could not explain why he, his former staff, or the prior Sheriff did not establish adequate receipting, recording, depositing and transmitting controls and procedures.

A similar condition was noted in our prior 3 audit reports.

### 2.3 Bank reconciliations and liabilities

The Sheriff's office did not prepare bank reconciliations or monthly lists of liabilities for the civil process, inmate, commissary, inmate security, and bond accounts. No bank reconciliations were performed for the civil process, inmate, and commissary bank accounts for at least the period of January 2020 through May 2021, and, as of September 2021, no bank reconciliations had been performed for the inmate security bank account. As of our review, the bond bank account had not been reconciled since March 2020. During audit fieldwork, Sheriff's office personnel could not prepare or provide bank reconciliations or lists of liabilities upon our request.

In addition, the Sheriff's office did not maintain a book balance for the civil process account and did not maintain accurate book balances for the inmate, commissary, inmate security, and bond bank accounts. We could not determine the reconciled account balances for the civil process, inmate, commissary, bond, and inmate security accounts as of May 31, 2021, as Sheriff's office personnel did not maintain adequate accounting records. For example, as of May 31, 2021, the bond account was overdrawn by \$970 while the check register had a recorded book balance of negative \$10,224.

The Sheriff could not explain why he and his former staff and the prior Sheriff did not perform monthly bank reconciliations, maintain a book balance for the civil process account, or maintain accurate book balances for the inmate and inmate security bank accounts.



## Ray County Management Advisory Report - State Auditor's Findings

Maintaining an accurate book balance and performing monthly bank reconciliations helps ensure receipts and disbursements have been properly handled and recorded, and increases the likelihood errors will be identified and corrected timely. Without regular identification and comparison of liabilities to the reconciled bank balance, there is less likelihood errors will be identified and the ability to both identify liabilities, refund money, when necessary, and resolve errors is diminished.

A similar condition was noted in our prior 3 audit reports.

### 2.4 Late fees, finance charges, and overdraft fees

Sheriff's office personnel did not ensure bills were paid timely and bank account balances were not properly monitored. During the year ended December 31, 2020, the Sheriff's office incurred late fees and finance charges totaling \$409 due to untimely credit card payments. In addition, the Sheriff's office incurred bank overdraft fees totaling \$140 in May 2021, when sufficient funds were not available in the bond account for 4 checks issued. The Sheriff could not explain why the prior Sheriff was not paying credit card bills timely or why he did not ensure funds were available for disbursements.

Controls and procedures to ensure timely payment of amounts owed and accurate bank account balances are necessary to prevent late fees, finance charges, and bank overdraft fees.

### 2.5 Record retention

The Sheriff's office did not properly retain many financial records. We noted the following:

- The Sheriff's office did not retain individual receipt slips, credit card statements, and supporting documentation for some credit card purchases. Upon our request, personnel requested the documents from the bank and vendors.
- The Sheriff's office did not retain most records from the prior commissary system including records of receipts, disbursements, and commissary inventory and sales records. When the commissary vendor and system changed in April 2021, the Sheriff's office no longer had access to this system. The Sheriff's office did not attempt to create copies of most records from the prior system before access was removed.
- The Sheriff's office did not retain all receipt slips for bonds received between January 1, 2021, and March 31, 2021, and did not retain the top copy of 4 voided SOR receipt slips received in 2018.
- Bank statements for some of the Sheriff's accounts were not retained for various months during the 3 years ended December 31, 2020.



## Ray County Management Advisory Report - State Auditor's Findings

Retention of records is necessary to ensure the validity of transactions and provide an audit trail. Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of records. Record retention schedules can be found on the Secretary of State's website.<sup>1</sup> The Sheriff could not explain why the prior Sheriff did not retain records as required by state law or why he or his former staff did not obtain copies of records from the prior commissary system.

## Recommendations

The Sheriff:

- 2.1 Segregate accounting duties to the extent possible and/or ensure independent or supervisory reviews of accounting and bank records are performed and documented.
- 2.2 Require receipt slips be issued for all money received with the method of payment indicated, the numerical sequence of receipt slips be accounted for, the composition of receipts be reconciled to the composition of amounts recorded and transmitted or deposited, and money received be transmitted or deposited timely and intact. In addition, reconcile inmate and bond money received through the kiosks to deposits and kiosk reports, and ensure receipt slips, and supporting documentation for transfers between accounts, are retained. Further, ensure checks are restrictively endorsed immediately upon receipt.
- 2.3 Prepare lists of liabilities, calculate book balances, and ensure adequate monthly bank reconciliations are prepared for all bank accounts. The Sheriff should reconcile the lists of liabilities to the available cash balances. Any differences between accounting records and reconciliations should be promptly investigated and resolved.
- 2.4 Implement procedures to ensure bills are paid timely and bank account balances are sufficient to avoid late fees, finance charges, and bank overdraft fees.
- 2.5 Retain all records in accordance with state law.

## Auditee's Response

- 2.1 *Beginning in the summer of 2021, we segregated duties to the extent possible, and I began reviewing all deposits and bank*

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<sup>1</sup> Missouri Secretary of State Records Services Division, *Electronic Communications Records Guidelines for Missouri Government*, May 14, 2019, is available at <<https://www.sos.mo.gov/CMSImages/LocalRecords/CommunicationsGuidelines.pdf>>, accessed May 24, 2023



Ray County  
Management Advisory Report - State Auditor's Findings

*reconciliations. In addition, I sign or give approval for all checks issued.*

- 2.2 *We started implementing the recommendations for receipting, recording, depositing, and transmitting in the summer of 2021. All of these recommendations have now been fully implemented.*
- 2.3 *We began performing monthly bank reconciliations and a monthly list of liabilities in the summer of 2021. In addition, accurate book balances are now maintained for all bank accounts and agree to the reconciled bank balances and liabilities each month.*
- 2.4 *My office turns over all invoices and receipts to the County Clerk's office upon receipt to ensure late fees and finance charges do not occur. In addition, we are now depositing receipts at least twice a week to ensure sufficient funds are available in the bank accounts to cover checks issued and prevent overdraft fees.*
- 2.5 *All records are now retained as required by state law.*

### **3. Inmate Account and Commissary Controls and Procedures**

The Sheriff's office handling of inmate accounts and commissary sales and proceeds needs improvement.

#### **3.1 Non-monetary adjustments**

Controls over non-monetary adjustments posted to inmate accounts need improvement. Non-monetary adjustments are transactions for which no money was received; however, changes to the inmate's account balances are necessary for credits given to inmates for working as a trustee in the jail, refunds, transfers of money between inmate accounts, and transfers from the prior commissary system.

Sheriff's office personnel improperly applied inmate account adjustments totaling \$4,026 by issuing cash receipt slips between April 1, 2021, and December 27, 2021, rather than recording the adjustments as non-monetary transactions, and there was no review or approval by an independent person of these transactions. As a result, the total amount receipted as cash appeared higher than the actual amount received and could not be reconciled to the cash deposited. This may have also caused inmates' account balances to be inaccurate. The Sheriff could not explain why his former staff were not properly recording inmate account adjustments and why a review and approval was not obtained.



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Ray County  
Management Advisory Report - State Auditor's Findings

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Review and approval of adjustments by an independent person is necessary to ensure adjustments are proper. Preparing and approving adjustment forms before they are made in the computer system, and ensuring posted adjustments are compared to the list of approved adjustments, would help ensure non-monetary adjustments are accurate, complete, and valid.

### 3.2 Unsupported and questionable purchases

The Sheriff's office spent at least \$5,543 on unsupported and/or questionable purchases with commissary account funds during the year ended December 31, 2020. Most of these purchases were made using a Walmart credit card and some were made by check. While some of these purchases may be appropriate, there was no documentation to support or explain the purpose of these purchases. In addition, the Sheriff's office did not retain receipts, invoices, and other supporting documentation for most purchases made from the commissary account. Disbursements from the commissary account totaled \$38,801 for the year ended December 31, 2020.

The Sheriff's office made the following questionable and/or unsupported purchases totaling at least \$4,449 with a Walmart credit card:

- The Sheriff's office purchased 15 televisions on November 5, 2020, for \$1,770. The current Sheriff found the televisions in the original boxes around the office and is currently using them as computer monitors.
- The Sheriff's office purchased 46 hams on December 17, 2019, for \$1,085.
- The Sheriff's office purchased other questionable items, totaling \$850, including scented oil air fresheners, soda, energy drinks, sport drinks, cigarettes, beer, a toy, personal grooming tools, barbeque seasoning rubs, and lotion, skin cleaners, and other beauty items that were not included on commissary inventory lists.
- The Sheriff's office purchased other unsupported items totaling at least \$744 including digital and game cameras, a vehicle global positioning system unit, a compact disc player, speakers, and multiple data storage drives.

In addition, Sheriff's office personnel purchased unsupported and questionable items by check including flower arrangements totaling \$443 and 30 hams for \$651 on December 15, 2020. Sheriff's office personnel made 4 purchases totaling \$1,103 by check for which no purchase receipt slips or other supporting documentation was retained and the check register did not include a description of these purchases. As a result, we could not determine what goods or services were purchased and whether these purchases were a prudent use of county resources.





## Ray County Management Advisory Report - State Auditor's Findings

The Sheriff's office could not explain why the prior Sheriff purchased these items or why invoices, purchase receipt slips, and other supporting documentation were not retained.

Public funds should be spent only on items necessary and beneficial to the county. Detailed supporting documentation would have improved the Sheriff office's ability to ensure purchases were reasonable. County residents have placed a fiduciary trust in their public officials to spend county money in a prudent and necessary manner.

### 3.3 Inmate Prisoner Detainee Security Fund

The Sheriff's office does not disburse commissary net proceeds to the county Inmate Prisoner Detainee Security Fund as required by state law. In addition, the Sheriff's office does not maintain records of commissary net proceeds. As a result, we could not determine the amount of undisbursed net proceeds. The Sheriff could not explain why he or his former staff and the prior Sheriff did not maintain records of commissary net proceeds or disburse commissary net proceeds.

Section 221.102, RSMo, requires each county jail to keep revenues from its commissary in a separate account and pay for goods and other expenses from that account, allows retention of a minimum amount of money in the account for cash flow purposes and current expenses, and requires deposit of the remaining funds (net proceeds) of the commissary account into the county Inmate Prisoner Detainee Security Fund held by the County Treasurer.

A similar condition was noted in our prior audit report.

### 3.4 Inmate refunds

The Sheriff's office does not have adequate procedures to ensure all inmate money is refunded upon release. As of July 2021, the Sheriff's office was holding approximately \$25,300 for 455 former inmates in the inmate account. The Sheriff could not explain why his former staff and the prior Sheriff did not refund inmate money when released.

Follow up on inactive accounts is necessary to ensure funds are appropriately disbursed to former inmates or as otherwise provided by state law. In addition, establishing procedures to refund all inmate money upon release will allow the Sheriff's office to more adequately safeguard any money being held and reduce the risk of loss, theft, or misuse of funds.

### 3.5 Sales tax

The Sheriff's office does not charge sales taxes on commissary sales of electronic cigarettes and certain hygiene products and remit them to the Department of Revenue (DOR). The Sheriff could not explain why he or his former staff and the prior Sheriff were not charging and collecting sales taxes on commissary sales.



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Pursuant to 12 CSR 10-110.955(3)(B), sales by the state of Missouri and its political subdivisions are subject to tax. Section 144.080, RSMo, requires sales tax collections be remitted to the DOR on a monthly, quarterly, or annual basis, depending on the amounts collected. Therefore, the Sheriff's office should be charging and collecting sales tax and remitting it to the DOR.

### Recommendations

The Sheriff:

- 3.1 Ensure all adjustments made to inmates' accounts are properly recorded. In addition, ensure all adjustments made to the commissary system are properly approved and compared to actual changes posted to the commissary system, and documentation of all adjustments is retained.
- 3.2 Ensure adequate supporting documentation is maintained for all disbursements and all disbursements are necessary and prudent uses of public funds.
- 3.3 Ensure existing and future commissary net proceeds are disbursed timely to the County Treasurer for deposit in the Inmate Prisoner Detainee Security Fund.
- 3.4 Refund all inmate money upon release. In addition, attempt to resolve unclaimed balances of inactive inmate accounts. If the payee cannot be located, the amount should be disbursed in accordance with state law.
- 3.5 Contact the DOR for guidance on establishing procedures for charging and collecting sales tax on commissary sales, and ensure future sales tax collections are remitted to the DOR.

### Auditee's Response

- 3.1 *We implemented this recommendation in the spring of 2022. We worked with the commissary system vendor to learn the proper method of recording these transactions and to correct the book balance.*
- 3.2 *We agree with the finding. My administration has not made any unsupported, questionable, unreasonable, and unnecessary purchases, and I will continue to prohibit the purchase of these items. In addition, supporting documentation including receipts and invoices are kept for all disbursements.*
- 3.3 *In April 2021, with the implementation of the current commissary system, we began tracking all commissary proceeds and remitting all but \$5,000 of the proceeds to the County Treasurer on a monthly basis for deposit into the Inmate Prisoner Detainee Security Fund. A*





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*balance of \$5,000 is maintained for cash flow purposes and to cover any current expenses.*

- 3.4 *In April 2021, with the implementation of the current commissary system, we began issuing debit cards to former inmates upon release. As indicated in the finding, we have identified 455 former inmates with unclaimed balances totaling \$25,314. We will attempt to locate these inmates and refund the money. The remaining unidentified liabilities will be disbursed to the Missouri Unclaimed Property Division.*
- 3.5 *We agree with the finding and have recently made the decision to change commissary vendors. Beginning in October, all commissary items will be sold through our new vendor who will be responsible for charging, collection, and paying sales tax to the state.*

## 4. Sunshine Law

The County Commission did not always ensure compliance with the Sunshine Law for closed meetings and notices and agendas. In September 2021, the county and the Attorney General's office agreed to a consent judgment requiring training of county officials and other corrective measures in settlement of an April 2021 lawsuit over the county's handling of meetings, notices, and agendas during May 2020. We identified the following concerns for the meetings held between January 2020 and September 2021:

- The County Commission discussed and voted on some topics in closed meetings that were not allowable under the Section 610.021, RSMo. For example, in closed meetings the Commission discussed vehicle purchases and creating part-time positions. In addition, various personnel issues pertaining to specific employees were discussed in closed meetings that could possibly be appropriate for those meetings if the meetings were closed as provided by law, but the meeting minutes did not contain the specific section permitting closure. The County Clerk indicated the County Commission would often get off topic and discuss other items not approved during closed meetings.
- The County Clerk did not timely prepare official, signed meeting minutes for 15 of the 28 closed meetings held from January 1, 2020, through September 23, 2021. The County Clerk initially provided handwritten notes for these 15 closed meetings for our review. The County Clerk indicated she was unaware that closed meeting minutes needed to be prepared and approved.
- The County Commission did not include sufficient detail in meeting notices and agendas to advise the public of matters to be considered. Notices and agendas frequently did not include a statement that a closed meeting would be held and generally only included vague statements



## Ray County Management Advisory Report - State Auditor's Findings

such as new business and old business with no additional information on matters to be discussed or decisions to be made. The County Clerk indicated the County Commission would enter into closed meetings without timely amending the meeting notices and agendas. The current County Clerk does not know why the previous meeting notices and agendas did not include sufficient detail.

Missouri's Sunshine Law, Chapter 610, RSMo, provides for transparency and openness of government. Section 610.021, RSMo, lists the topics that may be discussed in closed meetings, and Section 610.022.3, RSMo, mandates that the discussion topics and actions in closed meetings be limited to only those specifically allowed by law as announced in the justification for closing the meeting. Section 610.020.7, RSMo, states minutes of open and closed meetings shall be taken and retained by the governmental body. Meeting minutes serve as an official record of county business conducted and county actions and decisions. In addition, Section 610.020.1, RSMo, requires public entities to give notice of the time, date, and place of each meeting, and its tentative agenda, to advise the public of matters to be considered.

### Recommendation

The County Commission ensure only topics allowed by state law are discussed in closed meetings and specific reasons for closing a meeting are documented on the agenda and open meeting minutes. In addition, ensure official, signed minutes are prepared for all closed meetings in a timely manner and proper notification and agendas for public meetings are given and sufficiently detailed.

### Auditee's Response

*Future closed sessions will have a specified agenda which will spell out exactly what will be discussed and nothing else will be discussed in the closed session. In addition, we will only discuss topics allowed by state law during closed session. The County Clerk will prepare minutes in a timely manner and have commissioners sign and approve them.*

## 5. Prosecuting Attorney's Controls and Procedures

Controls and procedures in the Prosecuting Attorney's office need improvement. The office collected \$35,341 in bad check and court-ordered restitution and fees for the year ended December 31, 2020.

### 5.1 Segregation of duties

The Prosecuting Attorney has not adequately segregated accounting duties or ensured documented supervisory reviews. The bad check clerk and the restitution clerk are each primarily responsible for receiving, recording, and depositing bad check and restitution receipts, respectively. No independent review of receipt and deposit records is performed for either employee to ensure all money collected was properly recorded and deposited timely. The Prosecuting Attorney indicated segregation of duties and independent



## Ray County Management Advisory Report - State Auditor's Findings

reviews were not possible due to frequent turnover in the office and the limited number of staff trained to perform these duties.

Proper segregation of duties is necessary to ensure transactions are accounted for properly and assets are adequately safeguarded. Internal controls would be improved by segregating the duties of receiving, recording, and depositing receipts. If proper segregation of duties cannot be achieved, documented independent or supervisory reviews of detailed accounting and bank records are essential and should include comparing daily receipt activity to deposits.

### 5.2 Receipting, recording, and depositing

The Prosecuting Attorney's office procedures for receipting, recording, and depositing money need improvement.

- Office personnel did not always issue receipt slips or record restitution received in a timely manner. The office's procedure was for the restitution clerk to record restitution receipts in the physical case files and other office personnel to issue manual receipt slips when the restitution clerk was not working. However, we noted office personnel did not issue receipt slips for 26 of 43 receipts received between February 26, 2021, and March 19, 2021, while the restitution clerk was out. These receipts were later recorded in the physical case files by the restitution clerk.
- Office personnel did not always issue receipt slips immediately upon receipt for bad check money received. The office's procedure was for the bad check clerk to issue receipt slips from the case management system and other personnel to issue manual receipt slips when the bad check clerk was not working. However, we noted manual receipt slips were not issued for 13 of 20 bad check receipts received between February 26, 2021, and March 19, 2021, when the bad check clerk was out. These receipts were later receipted in the case management system.
- Office personnel did not issue bad check and restitution manual receipt slips in numerical sequence. As a result, the numerical sequence of receipt slips cannot be accounted for, the composition of receipts cannot be reconciled to the composition of deposits, and officials cannot determine if all receipts were deposited intact.
- Bad check and restitution money was not deposited timely. For example, restitution money, totaling \$8,789, received between February 26, 2021, and March 19, 2021, was not deposited until March 26, 2021.
- Checks and money orders were not restrictively endorsed immediately upon receipt. Office personnel applied the endorsement when preparing the deposit.



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The Prosecuting Attorney indicated proper receipting, recording, and depositing procedures were not maintained due to frequent turnover in the office and the limited number of staff trained to perform these duties.

Failure to implement adequate receipting, recording, and depositing procedures increases the risk that loss, theft, or misuse of money will go undetected and accounting records will contain errors.

A similar condition was noted in our prior audit report.

**5.3 Disbursement procedures** The Prosecuting Attorney's office did not timely disburse restitution payments to victims. For example, restitution receipts totaling \$7,100 between April 4, 2020, and July 27, 2020, were not disbursed to victims until August 13, 2020. The Prosecuting Attorney indicated proper disbursement procedures were not maintained due to frequent turnover in the office and the limited number of staff trained to perform these duties.

Timely disbursement of restitution payments is necessary to ensure victims are compensated, receipts are properly accounted for, and to reduce the risk of loss, theft, or misuse of funds.

A similar condition was noted in our prior audit report.

**5.4 Bank reconciliations, accounting records, liabilities, and outstanding checks** The Prosecuting Attorney's office procedures for reconciling bank accounts need improvement.

Restitution account

The Prosecuting Attorney did not ensure bank reconciliations were accurately prepared for the restitution account, a monthly list of liabilities was not prepared to reconcile to the available cash balance, and procedures to routinely follow-up on outstanding checks have not been established.

We reviewed the bank reconciliation performed for December 31, 2020, and identified several outstanding checks that were not listed as outstanding and several checks that had cleared the bank that were still listed as outstanding. As a result, the reconciled bank (cash) balance was understated by \$2,627 and should have been reported as \$24,768. The book balance was \$25,581, leaving a shortage of \$812 in the account. Because the bank reconciliation prepared did not agree to the book balance, and a list of liabilities was not maintained and reconciled to the available cash balance, office personnel did not identify the shortage.

In addition, the Prosecuting Attorney's office has not established procedures to routinely follow up on old outstanding checks. At December 31, 2020, 10



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checks totaling \$5,154 had been outstanding for over a year, with the oldest check dating back to 2016.

### Bad check account

The Prosecuting Attorney did not ensure bank reconciliations are accurately prepared for the bad check account, maintain a book balance or check register, or prepare a monthly list of liabilities to reconcile to the available cash balance.

We reviewed the bank reconciliation performed for December 31, 2020, and identified 3 outstanding checks that were not listed as outstanding. As a result, the reconciled bank (cash) balance of \$3,357 was overstated by \$280. Further, no documentation was provided to identify what was included in the cash balance.

### Conclusion

The Prosecuting Attorney indicated proper bank reconciliation procedures were not maintained due to frequent turnover in the office and the limited number of staff trained to perform these duties. Maintaining a book balance and performing adequate monthly bank reconciliations helps ensure receipts and disbursements have been properly handled and recorded, and increases the likelihood errors will be identified and corrected timely. Without regular identification and comparison of liabilities to the reconciled cash balance, the ability to both identify liabilities and resolve errors is diminished. In addition, procedures to routinely follow up on outstanding checks are necessary to prevent the accumulation of money in the account and ensure it is appropriately disbursed to the payee or as otherwise provided by state law.

## Recommendations

The Prosecuting Attorney:

- 5.1 Segregate accounting duties or ensure independent or supervisory reviews of detailed accounting and bank records are performed.
- 5.2 Ensure receipt slips are issued for all money received, the numerical sequence of receipt slips is accounted for, the composition of receipts is reconciled to the composition of deposits, receipts are deposited timely and intact, and checks are restrictively endorsed upon receipt.
- 5.3 Disburse victim restitution timely.
- 5.4 Ensure adequate monthly bank reconciliations are prepared, maintain accurate book balances, and prepare monthly lists of liabilities and reconcile the lists to the available cash balances. Any differences between accounting records and reconciliations should be promptly investigated and resolved. In addition, establish procedures to routinely investigate outstanding checks. Old outstanding checks should be voided and reissued to payees that can be readily located. If payees cannot be located, the money should be disbursed in accordance with state law.



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## Auditee's Response

- 5.1 *Due to the small size of my office, I am unable to segregate duties. Starting immediately, I will review deposits, disbursements, and bank reconciliations each month and will document my review.*
- 5.2 *My current staff implemented these recommendations in July 2022.*
- 5.3 *My current staff implemented these recommendations in July 2022.*
- 5.4 *My current staff began performing bank reconciliations and has been working to identify and resolve liabilities and old outstanding checks since the fall of 2022. This fall we will disburse any remaining unclaimed and unidentified liabilities to the Missouri Unclaimed Property Division.*

## 6. Personnel Policies and Procedures

County officials do not always follow personnel policies. In addition, procedures to monitor compensatory time balances are not sufficient.

### Compensatory time

The County paid some Sheriff's office deputies overtime for hours worked in excess of 86 hours bi-weekly rather than awarding compensatory time as required by county policy. The Sheriff indicated overtime hours were paid rather than awarding compensatory time when a deputy was called in on his or her day off to handle an emergency or asked to work to cover another deputy's shift. In other instances, deputies earn compensatory time. The county's personnel policy states the county has exercised its option to use compensatory time in lieu of overtime pay. The Sheriff indicated he continued the prior Sheriff's procedures related to handling overtime pay and compensatory time.

Written personnel policies and strict compliance with those policies is necessary to ensure equitable treatment of employees, prevent misunderstandings, and ensure employees are properly compensated.

### Timesheets and compensatory time records

Road and Bridge department employees do not record compensatory time used and hours worked in excess of scheduled hours on timesheets. In addition, the County Clerk's office does not maintain centralized compensatory time records for Road and Bridge department and Sheriff's office employees. The Road and Bridge department and the Sheriff's office are the only county offices or departments allowing employees to earn overtime and compensatory time. The Road and Bridge foreman records compensatory time used and compensatory hours earned and taken in a hand-written ledger and provides the ledger to the County Clerk's office each month. The sergeants maintain compensatory time records for the Sheriff's office and the records are only provided to the County Clerk's office when compensatory time is earned. The current County Clerk could not explain why the Road and Bridge department employees did not record compensatory





## Ray County Management Advisory Report - State Auditor's Findings

time used and earned on timesheets or why the former County Clerk did not maintain centralized compensatory time records.

Without adequate time records and centralized compensatory time records, the County Commission cannot ensure hours worked and compensatory time earned and taken by employees are accurate. The County's personnel manual requires timesheets to include all hours worked during the pay period and Section 29 CFR 516.2(a) of the Fair Labor Standards Act requires employers to maintain accurate records of actual time worked by employees. In addition, centralized compensatory time records aid in ensuring equitable treatment of employees and in determining final compensation for employees leaving county employment.

A similar condition was noted in our prior three audit reports.

### Recommendation

The County Commission ensure compensatory time is awarded in lieu of overtime pay and employees record all hours worked on timesheets in compliance with personnel policies. In addition, ensure the County Clerk maintains centralized compensatory time records for all employees.

### Auditee's Response

*Sheriff's office deputies and jail personnel will receive compensatory time for hours worked in excess of 86 hours bi-weekly, up to a maximum accrual of 168 hours, after which overtime will be paid. Also, we will continue the practice of paying overtime when a deputy is called in on his or her day off to handle an emergency or is asked to work to cover another deputy's shift. The personnel policy was revised on August 29, 2023, to reflect these procedures. In addition, we will ensure all hours worked are recorded on timesheets as required in the personnel policy. Finally, the County Clerk will maintain centralized compensatory time records for all county employees.*

## 7. Electronic Communications Policy

The county has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms.

Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of



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records. The guidelines for managing electronic communications records can be found on the Secretary of State's website.<sup>2</sup>

Development of a written policy to address the use of electronic communications is necessary to ensure all documentation of official business of the county is retained as required by state law. The County Commission indicated it was unaware of the record retention requirements and the electronic communications guidelines.

## Recommendation

The County Commission work with other county officials to develop a written records management and retention policy to address electronic communications management and retention to comply with Missouri Secretary of State Records Services Division electronic communications guidelines.

## Auditee's Response

*We are working with a vendor to develop a records management and retention policy that will include electronic communications. We expect this to be completed by the end of 2023.*

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<sup>2</sup> Missouri Secretary of State Records Services Division, *Electronic Communications Records Guidelines for Missouri Government*, May 14, 2019, is available at <<https://www.sos.mo.gov/CMSImages/LocalRecords/CommunicationsGuidelines.pdf>>, accessed May 16, 2023.



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# Ray County

## Organization and Statistical Information

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Ray County is a county-organized, third-class county. The county seat is Richmond.

Ray County's government is composed of a three-member county commission and separate elected officials performing various tasks. All elected officials serve 4-year terms. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens. In addition to elected officials, the county employed 68 full-time employees and 20 part-time employees on December 31, 2020.

County operations also include a Planning and Zoning Board, Senior Citizens Services Board, Law Enforcement Restitution Fund Board, Library Board, Senate Bill 40 Board, and Enhanced Enterprise Board.

### Elected Officials

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below:

Officeholder	2021	2020
Bob King, Presiding Commissioner	\$	33,351
Allen Dale, Associate Commissioner		27,390
Jerry Bishop, Associate Commissioner		31,302
Shirley O'Dell, Recorder of Deeds		46,350
Glenda Powell, County Clerk		46,350
Camille Johnston, Prosecuting Attorney		143,487
Garry Bush, Sheriff		51,500
Melissa Holloway, County Treasurer		46,350
Bartley Willim, County Coroner		16,481
Shannon Wollard, Public Administrator		46,350
Julie Chowning, County Collector (1), year ended February 28,	92,328	
Kent Wollard, County Assessor, year ended August 31,		46,350
Terry McCanless, County Surveyor (2)		

(1) Includes \$43,497 of commissions earned for collecting city property taxes.

(2) Not compensated by the county.

Appendix A  
Ray County  
Untransmitted Carry Conceal Weapon Permit Fee Receipts  
January 2018 through December 2020

Transmittal Date	Cash Received (1)	Checks Received	Total Receipts	Cash Transmitted	Checks Transmitted	Total Transmitted	Cash Long (Short)	Checks Long (Short)	Total Untransmitted
2/7/2018	\$ 200.00	-	200.00	200.00	-	200.00	-	-	-
3/15/2018	750.00	-	750.00	550.00	100.00	650.00	(200.00)	100.00	(100.00)
4/3/2018	1,630.00	14.00	1,644.00	1,830.00	-	1,830.00	200.00	(14.00)	186.00
5/11/2018	910.00	-	910.00	910.00	-	910.00	-	-	-
6/15/2018	1,330.00	-	1,330.00	1,240.00	-	1,240.00	(90.00)	-	(90.00)
7/23/2018	910.00	-	910.00	910.00	-	910.00	-	-	-
8/14/2018	120.00	-	120.00	120.00	-	120.00	-	-	-
9/14/2018	530.00	-	530.00	530.00	-	530.00	-	-	-
10/15/2018	480.00	-	480.00	480.00	-	480.00	-	-	-
11/6/2018	1,510.00	50.00	1,560.00	1,510.00	50.00	1,560.00	-	-	-
12/4/2018	920.00	-	920.00	840.00	-	840.00	(80.00)	-	(80.00)
1/7/2019 (2)	900.00	-	900.00	900.00	-	900.00	-	-	-
Total 2018	10,190.00	64.00	10,254.00	10,020.00	150.00	10,170.00	(170.00)	86.00	(84.00)
2/4/2019	670.00	-	670.00	600.00	30.00	630.00	(70.00)	30.00	(40.00)
3/12/2019	1,370.00	-	1,370.00	1,320.00	-	1,320.00	(50.00)	-	(50.00)
4/3/2019	1,170.00	-	1,170.00	1,070.00	-	1,070.00	(100.00)	-	(100.00)
5/6/2019	660.00	-	660.00	580.00	-	580.00	(80.00)	-	(80.00)
6/7/2019	1,100.00	-	1,100.00	850.00	50.00	900.00	(250.00)	50.00	(200.00)
7/12/2019	950.00	-	950.00	930.00	-	930.00	(20.00)	-	(20.00)
8/12/2019	750.00	-	750.00	750.00	-	750.00	-	-	-
9/5/2019	1,260.00	-	1,260.00	1,210.00	-	1,210.00	(50.00)	-	(50.00)
10/2/2019	800.00	100.00	900.00	900.00	-	900.00	100.00	(100.00)	-
11/19/2019	1,060.00	-	1,060.00	1,110.00	-	1,110.00	50.00	-	50.00
12/4/2019	900.00	-	900.00	900.00	-	900.00	-	-	-
1/10/2020 (2)	1,800.00	-	1,800.00	1,500.00	-	1,500.00	(300.00)	-	(300.00)
Total 2019	12,490.00	100.00	12,590.00	11,720.00	80.00	11,800.00	(770.00)	(20.00)	(790.00)
2/10/2020	1,170.00	-	1,170.00	920.00	20.00	940.00	(250.00)	20.00	(230.00)
3/31/2020	2,100.00	-	2,100.00	1,860.00	-	1,860.00	(240.00)	-	(240.00)
4/6/2020	1,250.00	50.00	1,300.00	1,300.00	-	1,300.00	50.00	(50.00)	-

Appendix A  
Ray County  
Untransmitted Carry Conceal Weapon Permit Fee Receipts  
January 2018 through December 2020

Transmittal Date	Cash Received (1)	Checks Received	Total Receipts	Cash Transmitted	Checks Transmitted	Total Transmitted	Cash Long (Short)	Checks Long (Short)	Total Untransmitted
5/28/2020	590.00	-	590.00	520.00	70.00	590.00	(70.00)	70.00	-
6/1/2020	870.00	100.00	970.00	870.00	100.00	970.00	-	-	-
7/6/2020	1,480.00	50.00	1,530.00	1,430.00	50.00	1,480.00	(50.00)	-	(50.00)
8/5/2020	1,260.00	50.00	1,310.00	1,230.00	80.00	1,310.00	(30.00)	30.00	-
9/8/2020	2,180.00	100.00	2,280.00	2,070.00	180.00	2,250.00	(110.00)	80.00	(30.00)
10/13/2020	2,360.00	-	2,360.00	2,050.00	-	2,050.00	(310.00)	-	(310.00)
11/20/2020	1,760.00	-	1,760.00	1,100.00	-	1,100.00	(660.00)	-	(660.00)
12/10/2020	1,020.00	-	1,020.00	1,020.00	-	1,020.00	-	-	-
12/31/2020	1,950.00	200.00	2,150.00	1,770.00	225.00	1,995.00	(180.00)	25.00	(155.00)
Total 2020	17,990.00	550.00	18,540.00	16,140.00	725.00	16,865.00	(1,850.00)	175.00	(1,675.00)
Total	\$ 40,670.00	714.00	41,384.00	37,880.00	955.00	38,835.00	(2,790.00)	241.00	(2,549.00)

- (1) Six receipt slips totaling \$550 were missing. These 6 receipt slips were recorded on the monthly receipt logs; however, the method of payment was not recorded on the logs. Therefore, the method of payment was determined to be cash based on the County Treasurer's transmittal records.
- (2) Includes amounts received in year shown but not transmitted until subsequent year.

Appendix B  
Ray County  
Untransmitted Sex Offender Registration Fee Receipts  
January 2018 through December 2020

Transmittal Date	Cash Received (1)	Checks Received	Total Receipts	Cash Transmitted	Checks Transmitted	Total Transmitted	Cash Long (Short)	Checks Long (Short)	Total Untransmitted
2/7/2018	\$ 200.00		200.00	190.00	-	190.00	(10.00)	-	(10.00)
3/15/2018	200.00		200.00	190.00	-	190.00	(10.00)	-	(10.00)
4/3/2018	225.00		225.00	235.00	-	235.00	10.00	-	10.00
5/11/2018	180.00	20.00	200.00	190.00	-	190.00	10.00	(20.00)	(10.00)
6/15/2018	190.00	18.00	208.00	190.00	-	190.00	-	(18.00)	(18.00)
7/23/2018	180.00	10.00	190.00	180.00	-	180.00	-	(10.00)	(10.00)
8/14/2018	210.00		210.00	200.00	-	200.00	(10.00)	-	(10.00)
9/14/2018	170.00	110.00	280.00	180.00	-	180.00	10.00	(110.00)	(100.00)
10/15/2018	200.00	10.00	210.00	210.00	-	210.00	10.00	(10.00)	-
11/6/2018	190.00		190.00	190.00	-	190.00	-	-	-
12/4/2018	150.00		150.00	140.00	10.00	150.00	(10.00)	10.00	-
1/7/2019 (2)	210.00		210.00	210.00	-	210.00	-	-	-
Total 2018	2,305.00	168.00	2,473.00	2,305.00	10.00	2,315.00	-	(158.00)	(158.00)
2/4/2019	220.00		220.00	189.00	-	189.00	(31.00)	-	(31.00)
3/12/2019	150.00		150.00	140.00	-	140.00	(10.00)	-	(10.00)
4/3/2019	210.00		210.00	220.00	-	220.00	10.00	-	10.00
5/6/2019	170.00	20.00	190.00	170.00	-	170.00	-	(20.00)	(20.00)
6/7/2019	190.00		190.00	190.00	-	190.00	-	-	-
7/12/2019	240.00		240.00	240.00	-	240.00	-	-	-
8/12/2019	160.00		160.00	160.00	-	160.00	-	-	-
9/5/2019	130.00		130.00	130.00	-	130.00	-	-	-
10/2/2019	170.00		170.00	170.00	-	170.00	-	-	-
11/19/2019	160.00		160.00	160.00	-	160.00	-	-	-
12/4/2019	108.00		108.00	108.00	-	108.00	-	-	-
1/10/2020 (2)	310.00		310.00	210.00	-	210.00	(100.00)	-	(100.00)
Total 2019	2,218.00	20.00	2,238.00	2,087.00	-	2,087.00	(131.00)	(20.00)	(151.00)
2/10/2020	180.00	-	180.00	180.00	-	180.00	-	-	-
3/31/2020	110.00	-	110.00	110.00	-	110.00	-	-	-
4/6/2020	220.00	-	220.00	220.00	-	220.00	-	-	-

Appendix B  
Ray County  
Untransmitted Sex Offender Registration Fee Receipts  
January 2018 through December 2020

Transmittal Date	Cash Received (1)	Checks Received	Total Receipts	Cash Transmitted	Checks Transmitted	Total Transmitted	Cash Long (Short)	Checks Long (Short)	Total Untransmitted
5/28/2020	190.00	-	190.00	180.00	-	180.00	(10.00)	-	(10.00)
6/8/2020	162.00	-	162.00	162.00	-	162.00	-	-	-
7/6/2020	180.00	-	180.00	180.00	-	180.00	-	-	-
8/5/2020	224.00	-	224.00	150.00	-	150.00	(74.00)	-	(74.00)
9/8/2020	140.00	-	140.00	130.00	-	130.00	(10.00)	-	(10.00)
10/19/2020	210.00	-	210.00	190.00	-	190.00	(20.00)	-	(20.00)
11/20/2020	170.00	-	170.00	150.00	-	150.00	(20.00)	-	(20.00)
12/10/2020	150.00	-	150.00	150.00	-	150.00	-	-	-
12/30/2020	190.00	-	190.00	190.00	-	190.00	-	-	-
Total 2020	2,126.00	-	2,126.00	1,992.00	-	1,992.00	(134.00)	-	(134.00)
Total \$	6,649.00	188.00	6,837.00	6,384.00	10.00	6,394.00	(265.00)	(178.00)	(443.00)

(1) The method of payment was not always recorded on receipt slips and was not recorded on the monthly receipt log. Therefore, the method of payment was determined to be cash based on the County Treasurer's transmittal records.

(2) Includes amounts received in year shown but not transmitted until subsequent year.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Howard County, Missouri

The Office of the State Auditor contracted for an audit of Howard County's financial statements for the 2 years ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized with a large, flowing "S" and "F".

Scott Fitzpatrick  
State Auditor

September 2023  
Report No. 2023-066

ANNUAL FINANCIAL REPORT

**HOWARD COUNTY, MISSOURI**

For the Years Ended  
December 31, 2022 and 2021

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

# HOWARD COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

HOWARD COUNTY, MISSOURI  
List of Elected Officials 2021-2022

*County Commission*

Presiding Commissioner – Jerimiah Johnmeyer  
Commissioner Eastern District – Jeff Stockhorst  
Commissioner Western District – Mathew Freese

*Other Elected Officials*

Assessor – John McCutcheon  
Circuit Clerk/Recorder – Charles Flaspohler  
Collector – Jinger Felten  
County Clerk – Shelly R. Howell  
Coroner – Trisha Clark  
Prosecuting Attorney – Deborah Riekhof  
Public Administrator – Lisa Asbury  
Sheriff – Jeff Oswald  
Treasurer – Susan Keyton

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Howard County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Howard County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2021 and 2022, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Howard County, Missouri, as of December 31, 2021 and 2022, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Howard County, Missouri, as of December 31, 2021 and 2022, or the changes in financial position thereof for the years then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Howard County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Howard County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Howard County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 17, 2023, on our consideration of Howard County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Howard County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 17, 2023

HOWARD COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund	Cash and Cash Equivalents		Receipts		Disbursements		Cash and Cash Equivalents		Receipts		Disbursements		Cash and Cash Equivalents	
	January 1, 2021	\$	2021	\$	2021	\$	December 31, 2021	\$	2022	\$	2022	\$	December 31, 2022	\$
General Revenue	1,451,078	\$	2,088,687	\$	1,838,961	\$	1,700,804	\$	2,165,718	\$	2,021,006	\$	1,845,516	\$
Special Road & Bridge	618,306		1,029,200		1,100,428		547,078		1,497,867		1,029,003		1,015,942	
Assessment	145,389		210,573		176,272		179,690		219,906		181,346		218,250	
Prosecuting Attorney Admin Handling	9,651		1,527		485		10,693		1,612		2,914		9,391	
Civil Defense	2,372		39,787		39,051		3,108		67,501		67,895		2,714	
Deputy Salary Supplement	270		3,158		2,907		521		2,818		2,938		401	
Election Services	10,233		2,463		-		12,696		20,179		533		32,342	
Inmate Security	16,712		23,489		27,245		12,956		45,103		23,326		34,733	
Keller Building	81,211		209,811		181,240		109,782		181,933		161,070		130,645	
Keller Building Maintenance	34,924		6,440		-		41,364		342		-		41,706	
Law Officers Training	871		1,143		850		1,164		1,190		1,844		510	
Prosecuting Attorney Delinquent	104		1		-		105		1		-		106	
Prosecuting Attorney Supplemental	24,078		10,347		6,749		27,676		15,280		10,676		32,280	
Prosecuting Attorney Training	1,580		825		-		2,405		901		-		3,306	
Recorder's Technology	17,105		3,017		426		19,696		2,495		-		22,191	
Recorder's User Fee	21,215		4,871		-		26,086		4,025		-		30,111	
Sheriff's Benevolent	2,010		2,384		70		4,324		10,194		475		14,043	
Sheriff's Civil Fees	2,022		5,080		5,599		1,503		5,267		5,355		1,415	
Sheriff's Recoupment	1,688		34		-		1,722		477		637		1,562	
Sheriff's Revolving Fees	5,170		12,644		2,273		15,541		2,448		3,402		14,587	
Tax Maintenance	42,784		16,568		14,321		45,031		16,452		34,644		26,839	
Time Payment Fee	8,235		746		-		8,981		718		-		9,699	
Victims of Domestic Violence	27,034		1,691		-		28,725		1,460		-		30,185	
Road & Bridge Special Trust	46,108		408,193		-		279,511		336,202		216,118		399,595	
Road & Bridge Disaster	100,565		-		100,565		-		-		-		-	
Economic Development	578,969		19,356		22,000		576,325		22,351		31,145		567,531	
Jail Sales Tax	539		50		-		589		45		-		634	
Law Enforcement	83,149		685,901		722,891		46,159		765,387		750,367		61,179	
Mt. Gilead	92,599		1,848		1,380		93,067		1,859		988		93,938	
Cares Act	76,290		483		76,773		-		-		-		-	
American Recovery Act	-		974,231		-		974,231		1,031,109		160,773		1,844,567	
Senate Board 40	395,554		710,092		715,655		389,991		806,697		790,760		405,927	
Total	3,897,815	\$	6,474,640	\$	5,210,931	\$	5,161,524	\$	7,227,537	\$	5,497,215	\$	6,891,846	\$

The accompanying Notes to the Financial Statements are an integral part of this statement.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND				
Year Ended December 31,				
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 360,000	\$ 415,410	\$ 378,871	\$ 405,866
Sales taxes	920,614	1,052,564	986,338	1,144,034
Intergovernmental	242,646	179,925	681,697	224,708
Charges for services	265,800	311,364	275,535	333,875
Interest	17,000	19,501	18,000	14,983
Other	30,300	30,259	26,500	32,580
Transfers in	81,664	79,664	16,926	9,672
Total Receipts	<u>\$ 1,918,024</u>	<u>\$ 2,088,687</u>	<u>\$ 2,383,867</u>	<u>\$ 2,165,718</u>
DISBURSEMENTS				
County Commission	\$ 97,660	\$ 97,468	\$ 109,205	\$ 106,335
County Clerk	103,100	101,935	104,472	101,209
Elections	71,822	32,806	139,294	71,281
Buildings and grounds	80,540	72,211	90,450	64,801
Employee fringe benefits	265,200	194,402	265,200	201,067
Treasurer	44,800	43,983	46,697	45,675
Collector	97,100	93,292	103,407	101,003
Recorder of Deeds	40,015	34,936	43,515	38,391
Circuit Clerk	24,200	6,250	24,200	7,476
Court administration	33,020	6,827	33,020	6,068
Public Administrator	76,875	76,179	82,672	81,552
Sheriff	40,500	40,464	50,000	29,600
Prosecuting Attorney	123,564	120,366	131,162	126,779
Juvenile Officer	74,866	70,009	79,874	60,288
Coroner	43,772	39,156	44,202	32,662
Other County government	576,751	311,088	851,875	396,569
Health and welfare	458,252	269,860	848,061	283,839
Transfers out	430,437	227,729	436,411	266,411
Emergency fund	55,000	-	75,000	-
Total Disbursements	<u>\$ 2,737,474</u>	<u>\$ 1,838,961</u>	<u>\$ 3,558,717</u>	<u>\$ 2,021,006</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (819,450)	\$ 249,726	\$ (1,174,850)	\$ 144,712
CASH AND EQUIVALENTS, JANUARY 1	<u>1,451,078</u>	<u>1,451,078</u>	<u>1,700,804</u>	<u>1,700,804</u>
CASH AND EQUIVALENTS, DECEMBER 31	<u>\$ 631,628</u>	<u>\$ 1,700,804</u>	<u>\$ 525,954</u>	<u>\$ 1,845,516</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



## HOWARD COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD & BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ 275,000	\$ 335,562	\$ 299,730	\$ 328,742	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	640,759	479,880	742,823	1,039,984	162,164	194,242	163,538	199,572
Charges for services	40,600	41,136	39,200	42,607	11,167	5,662	11,600	8,800
Interest	8,000	8,999	7,500	7,575	2,600	2,558	3,000	2,003
Other	33,000	57,042	21,000	22,253	5,100	8,111	6,800	9,531
Transfers in	106,581	106,581	56,706	56,706	-	-	-	-
Total Receipts	\$ 1,103,940	\$ 1,029,200	\$ 1,166,959	\$ 1,497,867	\$ 181,031	\$ 210,573	\$ 184,938	\$ 219,906
<b>DISBURSEMENTS</b>								
Salaries	\$ 327,700	\$ 293,547	\$ 320,000	\$ 316,178	\$ 109,200	\$ 100,854	\$ 118,472	\$ 95,796
Employee fringe benefits	168,100	109,045	167,800	110,876	41,794	36,952	42,750	29,747
Materials and supplies	122,500	104,063	176,500	134,131	8,000	6,229	17,500	17,120
Services and other	154,500	131,607	116,200	122,701	59,800	32,237	50,800	38,683
Capital outlay	223,000	221,975	-	-	-	-	-	-
Construction	274,000	237,300	589,000	335,445	-	-	-	-
Transfers out	2,891	2,891	37,672	9,672	-	-	-	-
Total Disbursements	\$ 1,272,691	\$ 1,100,428	\$ 1,407,172	\$ 1,029,003	\$ 218,794	\$ 176,272	\$ 229,522	\$ 181,346
<b>RECEIPTS OVER (UNDER)</b>								
DISBURSEMENTS	\$ (168,751)	\$ (71,228)	\$ (240,213)	\$ 468,864	\$ (37,763)	\$ 34,301	\$ (44,584)	\$ 38,560
<b>CASH AND EQUIVALENTS,</b>								
<b>JANUARY 1</b>	618,306	618,306	547,078	547,078	145,389	145,389	179,690	179,690
<b>CASH AND EQUIVALENTS,</b>								
<b>DECEMBER 31</b>	\$ 449,555	\$ 547,078	\$ 306,865	\$ 1,015,942	\$ 107,626	\$ 179,690	\$ 135,106	\$ 218,250

The accompanying Notes to the Financial Statements are an integral part of these statements.

## HOWARD COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY ADMIN HANDLING FUND				CIVIL DEFENSE FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	22,432	23,738	73,155	41,365
Charges for services	6,750	1,396	6,500	1,521	-	-	-	-
Interest	-	123	-	89	-	49	-	17
Other	50	8	50	2	1,000	-	3,119	3,119
Transfers in	-	-	-	-	18,708	16,000	23,000	23,000
Total Receipts	\$ 6,800	\$ 1,527	\$ 6,550	\$ 1,612	\$ 42,140	\$ 39,787	\$ 99,274	\$ 67,501
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 19,200	\$ 19,200	\$ 27,000	\$ 27,000
Employee fringe benefits	-	-	-	-	1,700	1,536	2,300	2,143
Materials and supplies	2,300	-	2,000	-	2,800	2,520	3,465	2,775
Services and other	2,800	485	2,550	914	16,885	15,278	15,504	10,017
Capital outlay	2,000	-	2,000	2,000	2,856	517	51,000	25,960
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 7,100	\$ 485	\$ 6,550	\$ 2,914	\$ 43,441	\$ 39,051	\$ 99,269	\$ 67,895
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (300)	\$ 1,042	\$ -	\$ (1,302)	\$ (1,301)	\$ 736	\$ 5	\$ (394)
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	9,651	9,651	10,693	10,693	2,372	2,372	3,108	3,108
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ 9,351	\$ 10,693	\$ 10,693	\$ 9,391	\$ 1,071	\$ 3,108	\$ 3,113	\$ 2,714

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	DEPUTY SALARY SUPPLEMENT FUND			ELECTION SERVICES FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	5,000	3,158	5,000	2,818	1,000	14,697
Interest	-	-	-	-	2,200	5,286
Other	-	-	-	-	139	176
Transfers in	-	-	-	-	-	20
Total Receipts	\$ 5,000	\$ 3,158	\$ 5,000	\$ 2,818	\$ 3,200	\$ 20,179
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	5,000	2,907	5,000	2,938	6,000	533
Capital outlay	-	-	-	-	1,000	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 5,000	\$ 2,907	\$ 5,000	\$ 2,938	\$ 7,000	\$ 533
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ -	\$ 251	\$ -	\$ (120)	\$ (3,800)	\$ 19,646
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	270	270	521	521	10,233	12,696
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ 270	\$ 521	\$ 521	\$ 401	\$ 6,433	\$ 32,342

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	INMATE SECURITY FUND			KELLER BUILDING FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	17,000	23,309	19,500	175,106	179,386	180,291
Interest	-	180	-	750	750	960
Other	-	-	-	-	5,000	682
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 17,000	\$ 23,489	\$ 19,500	\$ 175,856	\$ 209,811	\$ 181,933
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ 33,500	\$ 32,675	\$ 36,467
Employee fringe benefits	-	-	-	12,659	11,247	9,023
Materials and supplies	-	-	-	5,000	988	2,590
Services and other	32,000	27,245	32,000	150,563	130,330	112,991
Capital outlay	-	-	-	7,000	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	6,000	6,000	-
Total Disbursements	\$ 32,000	\$ 27,245	\$ 32,000	\$ 214,722	\$ 181,240	\$ 161,070
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (15,000)	\$ (3,756)	\$ (12,500)	\$ (38,866)	\$ 28,571	\$ 20,863
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	16,712	16,712	12,956	81,211	109,782	109,782
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ 1,712	\$ 12,956	\$ 456	\$ 42,345	\$ 109,782	\$ 130,645

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	KELLER BUILDING MAINTENANCE FUND				LAW OFFICERS TRAINING FUND			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	1,300	1,130	1,300	1,184
Interest	350	440	350	342	-	13	-	6
Other	-	-	-	-	-	-	-	-
Transfers in	6,000	6,000	4,000	-	-	-	-	-
Total Receipts	\$ 6,350	\$ 6,440	\$ 4,350	\$ 342	\$ 1,300	\$ 1,143	\$ 1,300	\$ 1,190
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	30,000	-	40,000	-	2,050	850	2,050	1,844
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 30,000	\$ -	\$ 40,000	\$ -	\$ 2,050	\$ 850	\$ 2,050	\$ 1,844
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (23,650)	\$ 6,440	\$ (35,650)	\$ 342	\$ (750)	\$ 293	\$ (750)	\$ (654)
CASH AND EQUIVALENTS, JANUARY 1	34,924	34,924	41,364	41,364	871	871	1,164	1,164
CASH AND EQUIVALENTS, DECEMBER 31	\$ 11,274	\$ 41,364	\$ 5,714	\$ 41,706	\$ 121	\$ 1,164	\$ 414	\$ 510

The accompanying Notes to the Financial Statements are an integral part of these statements.

## HOWARD COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY DELINQUENT FUND				PROSECUTING ATTORNEY SUPPLEMENTAL FUND			
	Year Ended December 31,		2022		Year Ended December 31,		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	15,000	9,500	15,000	15,000
Charges for services	400	-	400	-	-	-	-	-
Interest	-	1	-	1	-	295	-	267
Other	-	-	-	-	-	552	-	13
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 400	\$ 1	\$ 400	\$ 1	\$ 15,000	\$ 10,347	\$ 15,000	\$ 15,280
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	3,000	140	3,000	2,928
Services and other	-	-	400	-	10,000	6,609	17,000	7,748
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	2,000	-	4,000	-
Total Disbursements	\$ -	\$ -	\$ 400	\$ -	\$ 15,000	\$ 6,749	\$ 24,000	\$ 10,676
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 400	\$ 1	\$ -	\$ 1	\$ -	\$ 3,598	\$ (9,000)	\$ 4,604
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	104	104	105	105	24,078	24,078	27,676	27,676
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ 504	\$ 105	\$ 105	\$ 106	\$ 24,078	\$ 27,676	\$ 18,676	\$ 32,280

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY TRAINING FUND			RECORDER'S TECHNOLOGY FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	300	801	700	877	1,950	2,790
Interest	-	24	-	24	242	227
Other	-	-	-	-	-	-
Transfers in	-	-	2,000	-	-	-
Total Receipts	\$ 300	\$ 825	\$ 2,700	\$ 901	\$ 2,192	\$ 3,017
					\$ 3,000	\$ 2,495
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	300	-	700	-	9,800	426
Capital outlay	-	-	-	-	9,497	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 300	\$ -	\$ 700	\$ -	\$ 19,297	\$ 426
					\$ 19,297	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ 825	\$ 2,000	\$ 901	\$ (17,105)	\$ 2,591
					\$ (16,297)	\$ 2,495
CASH AND EQUIVALENTS, JANUARY 1	1,580	1,580	2,405	2,405	17,105	17,105
					19,696	19,696
CASH AND EQUIVALENTS, DECEMBER 31	\$ 1,580	\$ 2,405	\$ 4,405	\$ 3,306	\$ 0	\$ 19,696
					\$ 3,399	\$ 22,191

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDER'S USER FEE FUND			SHERIFF'S BENEVOLENT FUND			
	Year Ended December 31,		2022	2021		2022	2022
	Budget	Actual		Budget	Actual		
<b>RECEIPTS</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	3,600	4,582	4,500	-	-	-	-
Interest	140	289	300	-	34	-	56
Other	-	-	-	750	2,350	750	10,138
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ 3,740	\$ 4,871	\$ 4,800	\$ 750	\$ 2,384	\$ 750	\$ 10,194
<b>DISBURSEMENTS</b>							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-
Materials and supplies	-	-	-	500	-	500	-
Services and other	20,002	-	30,459	250	70	250	-
Capital outlay	-	-	-	-	-	-	475
Construction	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	\$ 20,002	\$ -	\$ 30,459	\$ 750	\$ 70	\$ 750	\$ 475
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (16,262)	\$ 4,871	\$ (25,659)	\$ -	\$ 2,314	\$ -	\$ 9,719
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	21,215	21,215	26,086	2,010	2,010	4,324	4,324
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ 4,953	\$ 26,086	\$ 427	\$ 2,010	\$ 4,324	\$ 4,324	\$ 14,043

The accompanying Notes to the Financial Statements are an integral part of these statements.



## HOWARD COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S CIVIL FEES FUND			SHERIFF'S RECOUPMENT FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	6,500	5,060	5,000	500	500	461
Interest	-	20	-	-	-	16
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 6,500	\$ 5,080	\$ 5,000	\$ 500	\$ 500	\$ 477
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	3,000	2,836	1,000	-	-	-
Services and other	5,500	2,763	5,500	1,500	1,500	637
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 8,500	\$ 5,599	\$ 6,500	\$ 1,500	\$ 1,500	\$ 637
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (2,000)	\$ (519)	\$ (1,500)	\$ (1,000)	\$ (1,000)	\$ (160)
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	2,022	2,022	1,503	1,688	1,722	1,722
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ 22	\$ 1,503	\$ 3	\$ 688	\$ 722	\$ 1,562

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S REVOLVING FEES FUND			TAX MAINTENANCE FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021		2022	2021		2022
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	3,450	12,511	3,650	13,000	13,983	16,132
Interest	-	133	-	900	585	320
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 3,450	\$ 12,644	\$ 3,650	\$ 13,900	\$ 16,568	\$ 16,452
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	7,000	390	19,053
Services and other	6,000	2,273	6,000	23,500	11,000	12,400
Capital outlay	-	-	-	10,000	2,931	3,191
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 6,000	\$ 2,273	\$ 6,000	\$ 40,500	\$ 14,321	\$ 34,644
<b>RECEIPTS OVER (UNDER)</b>	\$ (2,550)	\$ 10,371	\$ (2,350)	\$ (26,600)	\$ 2,247	\$ (18,192)
<b>DISBURSEMENTS</b>						
<b>CASH AND EQUIVALENTS,</b>						
<b>JANUARY 1</b>	5,170	5,170	15,541	42,784	42,784	45,031
<b>CASH AND EQUIVALENTS,</b>						
<b>DECEMBER 31</b>	\$ 2,620	\$ 15,541	\$ 13,191	\$ 16,184	\$ 45,031	\$ 26,839

The accompanying Notes to the Financial Statements are an integral part of these statements.

## HOWARD COUNTY, MISSOURI

## COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	TIME PAYMENT FEE FUND			VICTIMS OF DOMESTIC VIOLENCE FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Budget	Actual	Budget
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	750	640	700	1,450	1,350	1,450
Interest	50	106	100	240	341	240
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 800	\$ 746	\$ 800	\$ 1,690	\$ 1,691	\$ 1,690
						\$ 1,460
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	8,200	-	8,997	24,800	-	30,000
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 8,200	\$ -	\$ 8,997	\$ 24,800	\$ -	\$ 30,000
						\$ -
<b>RECEIPTS OVER (UNDER)</b>						
DISBURSEMENTS	\$ (7,400)	\$ 746	\$ (8,197)	\$ (23,110)	\$ 1,691	\$ (28,310)
						\$ 1,460
<b>CASH AND EQUIVALENTS,</b>						
<b>JANUARY 1</b>	8,235	8,235	8,981	27,034	27,034	28,725
						28,725
<b>CASH AND EQUIVALENTS,</b>						
<b>DECEMBER 31</b>	\$ 835	\$ 8,981	\$ 784	\$ 3,924	\$ 28,725	\$ 415
						\$ 30,185

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ROAD AND BRIDGE SPECIAL TRUST FUND			ROAD AND BRIDGE DISASTER FUND		
	2021		2022	2021		2022
	Budget	Actual	Budget	Budget	Actual	Budget
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	291,432	319,715	305,403	-	-	-
Intergovernmental	36,000	36,000	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	1,200	2,629	1,200	-	-	-
Other	-	-	-	-	-	-
Transfers in	49,849	49,849	28,000	-	-	-
Total Receipts	\$ 378,481	\$ 408,193	\$ 334,603	\$ -	\$ -	\$ -
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	77,000	63,937	64,000	-	-	-
Capital outlay	73,526	73,525	350,000	-	-	-
Construction	225,000	37,328	30,000	-	-	-
Transfers out	-	-	-	100,565	100,565	-
Total Disbursements	\$ 375,526	\$ 174,790	\$ 444,000	\$ 100,565	\$ 100,565	\$ -
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ 2,955	\$ 233,403	\$ (109,397)	\$ (100,565)	\$ (100,565)	\$ -
CASH AND EQUIVALENTS, JANUARY 1	46,108	46,108	279,511	100,565	100,565	-
CASH AND EQUIVALENTS, DECEMBER 31	\$ 49,063	\$ 279,511	\$ 170,114	\$ -	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ECONOMIC DEVELOPMENT FUND			JAIL SALES TAX FUND		
	Year Ended December 31,			Year Ended December 31,		
	2021	2022		2021	2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	43	-	40
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	11,000	11,167	11,156	7	-	5
Other	8,189	8,189	8,189	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 19,189	\$ 19,356	\$ 19,345	\$ 50	\$ -	\$ 45
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	598,107	22,000	595,486	450	450	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 598,107	\$ 22,000	\$ 595,486	\$ 450	\$ 450	\$ -
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (578,918)	\$ (2,644)	\$ (576,141)	\$ (450)	\$ 50	\$ 45
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	578,969	578,969	576,325	539	539	589
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ 51	\$ 576,325	\$ 184	\$ 89	\$ 589	\$ 634

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT			MOUNT GILEAD FUND			
	Year Ended December 31,			Year Ended December 31,			
	2021	2022		2021	2022		
	Budget	Actual	Budget	Actual	Budget	Actual	
<b>RECEIPTS</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Sales taxes	347,451	377,465	360,937	394,170	-	-	-
Intergovernmental	39,000	32,965	42,000	33,309	-	-	-
Charges for services	98,000	93,832	111,000	143,122	-	-	-
Interest	700	1,357	700	530	2,500	1,848	1,859
Other	2,000	24,418	2,000	7,551	-	-	-
Transfers in	356,554	155,864	359,502	186,705	-	-	-
Total Receipts	\$ 843,705	\$ 685,901	\$ 876,139	\$ 765,387	\$ 2,500	\$ 1,848	\$ 1,859
<b>DISBURSEMENTS</b>							
Salaries	\$ 485,700	\$ 424,574	\$ 512,481	\$ 445,095	\$ -	\$ -	\$ -
Employee fringe benefits	181,493	108,373	173,246	100,405	-	-	-
Materials and supplies	34,156	31,912	36,500	32,539	-	-	-
Services and other	147,455	132,479	162,000	146,397	9,500	1,380	988
Capital outlay	78,000	25,553	33,000	25,931	-	-	-
Construction	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Disbursements	\$ 926,804	\$ 722,891	\$ 917,227	\$ 750,367	\$ 9,500	\$ 1,380	\$ 988
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (83,099)	\$ (36,990)	\$ (41,088)	\$ 15,020	\$ (7,000)	\$ 468	\$ (8,000)
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	83,149	83,149	46,159	46,159	92,599	92,599	93,067
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ 50	\$ 46,159	\$ 5,071	\$ 61,179	\$ 85,599	\$ 93,067	\$ 93,938

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	CARES ACT FUND			AMERICAN RECOVERY ACT			
	Year Ended December 31,			Year Ended December 31,			
	2021		2022	2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	
<b>RECEIPTS</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Sales taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	971,289	971,289	971,289	1,021,289
Charges for services	-	-	-	-	-	-	-
Interest	483	483	-	100	2,942	-	9,820
Other	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total Receipts	\$ 483	\$ 483	\$ -	\$ 971,389	\$ 974,231	\$ 971,289	\$ 1,031,109
<b>DISBURSEMENTS</b>							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Employee fringe benefits	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-
Services and other	-	-	-	-	1,150,000	-	160,773
Capital outlay	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-
Transfers out	-	76,773	-	-	-	-	-
Total Disbursements	\$ 76,773	\$ 76,773	\$ -	\$ -	\$ 1,150,000	\$ -	\$ 160,773
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ (76,290)	\$ (76,290)	\$ -	\$ 971,389	\$ 974,231	\$ (178,711)	\$ 870,336
<b>CASH AND EQUIVALENTS, JANUARY 1</b>	76,290	76,290	-	-	-	974,231	974,231
<b>CASH AND EQUIVALENTS, DECEMBER 31</b>	\$ -	\$ -	\$ -	\$ 971,389	\$ 974,231	\$ 795,520	\$ 1,844,567

The accompanying Notes to the Financial Statements are an integral part of these statements.

HOWARD COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

SENATE BILL 40 FUND				
Year Ended December 31,				
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 132,807	\$ 142,148	\$ 140,140	\$ 144,831
Sales taxes	-	-	-	-
Intergovernmental	716,706	563,555	748,322	656,072
Charges for services	-	-	-	-
Interest	1,700	4,389	1,800	4,726
Other	-	-	-	1,068
Transfers in	-	-	-	-
Total Receipts	<u>\$ 851,213</u>	<u>\$ 710,092</u>	<u>\$ 890,262</u>	<u>\$ 806,697</u>
DISBURSEMENTS				
Salaries	\$ 439,026	\$ 387,397	\$ 475,002	\$ 448,341
Employee fringe benefits	127,335	96,859	134,097	114,342
Materials and supplies	7,600	5,231	7,886	4,987
Services and other	271,252	221,533	271,276	221,397
Capital outlay	6,000	4,635	2,000	1,693
Construction	-	-	-	-
Transfers out	-	-	-	-
Total Disbursements	<u>\$ 851,213</u>	<u>\$ 715,655</u>	<u>\$ 890,261</u>	<u>\$ 790,760</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ -	\$ (5,563)	\$ 1	\$ 15,937
CASH AND EQUIVALENTS, JANUARY 1	<u>395,554</u>	<u>395,554</u>	<u>389,991</u>	<u>389,991</u>
CASH AND EQUIVALENTS, DECEMBER 31	<u><u>\$ 395,554</u></u>	<u><u>\$ 389,991</u></u>	<u><u>\$ 389,992</u></u>	<u><u>\$ 405,927</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



HOWARD COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund/Account	Cash and Equivalents January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Equivalents December 31, 2021	Receipts 2022	Disbursements 2022	Cash and Equivalents December 31, 2022
Treasurer CLER	\$ 12,385	\$ 1,677	\$ -	\$ 14,062	\$ 1,408	\$ 1,122	\$ 14,348
Treasurer Land Tax Sale	4,724	15,059	2,211	17,572	812	13,718	4,666
Treasurer Unclaimed Fees	8	-	-	8	-	-	8
Treasurer CERF	4,179	145,326	144,789	4,716	146,015	145,830	4,901
Capital Schools	27,880	45,430	46,757	26,553	67,819	57,136	37,236
Treasurer FIT	1,348	23,628	1,368	23,608	51,032	74,640	-
Treasurer Other Entities	-	2,079,608	2,079,608	-	2,111,750	2,111,750	-
Collector Main	5,703,845	12,201,539	10,353,633	7,551,751	9,958,719	10,599,950	6,910,520
Collector Point and Pay	39,250	188,403	163,175	64,478	235,533	219,029	80,982
Collector Online Pay	126,623	225,410	235,306	116,727	355,114	255,248	216,593
Collector Prepay	7,488	126,155	129,737	3,906	149,866	140,279	13,493
Recorder	-	86,583	86,583	-	69,492	69,492	-
Prosecuting Attorney	2,865	31,136	31,036	2,965	32,903	32,803	3,065
Sheriff Fees	109	85,662	85,771	-	150,609	150,555	54
Sheriff Jail	29	57,642	56,484	1,187	73,590	65,739	9,038
Public Administrator	510,958	973,960	953,320	531,598	1,124,191	933,992	721,797
Total	\$ 6,441,691	\$ 16,287,218	\$ 14,369,778	\$ 8,359,131	\$ 14,528,853	\$ 14,871,283	\$ 8,016,701

The accompanying Notes to the Financial Statements are an integral part of this statement.

HOWARD COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Howard County, Missouri ("County") is governed by a three-member board of commissioners. In addition to the three board members, there are nine elected Constitutional Officers: Assessor, Circuit Clerk/Recorder, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Sheriff, and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Howard County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County's legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County's funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County's custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before the second Monday in January, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2022 and 2021, for purposes of taxation were:

	2022	2021
Real Estate	\$ 85,566,648	\$ 83,709,418
Personal Property	43,977,737	39,097,482
Railroad and Utilities	19,494,937	18,036,512
Total	<u>\$ 149,039,322</u>	<u>\$ 140,843,412</u>

For calendar years 2022 and 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022	2021
General Revenue	0.2828	0.2698
Road and Bridge	0.3083	0.3083
Sheltered Services Board	0.1000	0.1000

In addition to the tax levies noted above, the tax levies for various independent taxing districts are collected by the County Collector. The property tax collections resulting from these levies are disbursed by the County Collector to the appropriate taxing districts. These amounts collected but not yet disbursed are included in the custodial funds.

#### F. Cash Deposits and Cash Equivalents

Deposits and cash equivalents are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and cash equivalent balances are presented in Note 2.

## G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

## 2. CASH AND CASH EQUIVALENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Cash Equivalents" caption. Cash and cash equivalents includes deposits and short-term investments with maturities that are less than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	<u>\$ 6,891,846</u>	<u>\$ 7,140,593</u>	<u>\$ 662,044</u>
Cash and Cash Equivalents - Fiduciary Funds	<u>\$ 8,016,701</u>	<u>\$ 7,898,441</u>	<u>\$ 1,110,212</u>

At December 31, 2021, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	<u>\$ 5,161,526</u>	<u>\$ 5,282,956</u>	<u>\$ 628,326</u>
Cash and Cash Equivalents - Fiduciary Funds	<u>\$ 8,359,131</u>	<u>\$ 6,911,410</u>	<u>\$ 870,858</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 and 2021 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

### 3. COUNTY EMPLOYEES' RETIREMENT PLANS

#### A. Missouri Local Government Employees Retirement System (LAGERS)

##### 1) Plan Description

Howard County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

##### 2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

##### 3) Funding Policy

Full-time employees of Howard County do not contribute to the pension plan. The June 30<sup>th</sup> statutorily required contribution rates were 7.5% and 7.3% (General), and 5.0% and 4.0% (Police) of annual covered payroll for 2022 and 2021, respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the years ended December 31, 2022 and 2021, the County contributed \$97,588 and \$91,017 to LAGERS.

#### B. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

##### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires

the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. The County has elected to make contributions on behalf of employees. During 2022 and 2021, the County collected and remitted to CERF employee withholdings of \$52,039 and \$50,695, respectively, for the years then ended.

## C. Deferred 457 Pension Plan

Participation in the plan is voluntary for all full-time employees. Part-time employees are not eligible to participate in the plan. Plan participants can elect to contribute any whole percentage or dollar amount of their earnings to the plan. Fifty cents on the dollar is matched by CERF on the first 6% of an employee's contribution. The County does not contribute to the plan. Employee contributions collected and remitted by the County for the years ended December 31, 2022 and 2021 were \$19,066 and \$28,301, respectively.



#### D. Prosecuting Attorney Retirement Fund

In accordance with state statute Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$3,366 and \$3,366, respectively, for the years ended December 31, 2022 and 2021.

#### 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

#### 5. CLAIMS, COMMITMENT AND CONTINGENCIES

##### A. Compensated Absences

Sick leave will be accrued at 1 day per pay period. Regular full-time employees who have completed their 6-month probation period are eligible to use sick leave. Sick leave may accumulate to an unlimited number of days. Upon termination, employees are not compensated for accrued sick time. Vacation time will be accrued at 1 day per pay period. Regular full-time employees who have completed their 6-month probation period are eligible to use vacation time. Vacation earned in one year must be used in the following year. Vacation accrual after 10 years of employment shall be calculated at 1.25 days per month and after 15 years of employment shall be calculated at 1.69 days per month. After 20 years of employment, vacation approval shall be calculated at 2 days per month. Upon termination, employees are compensated for unused vacation time.

##### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

#### 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. The County purchases commercial insurance to provide coverage for general liability, property damage, and workers' compensation. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance



coverage for Missouri counties. The Fund is self-insured up to \$500,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2022:

- A. In July 2022, the County entered into a \$608,260 promissory note agreement with Exchange Bank of Missouri to finance the purchase of three 2022 John Deere motor graders. The commercial loan has an interest rate of 4.25% with an annual payment of \$102,515 over a seven-year period.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 76,305	\$ 26,210	\$ 102,515
2024	79,530	22,985	102,515
2025	83,020	19,495	102,515
2026	86,597	15,918	102,515
2027	90,329	12,186	102,515
2028-2029	192,479	12,551	205,030
Totals	<u>\$ 608,260</u>	<u>\$ 109,345</u>	<u>\$ 717,605</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
2017 John Deere graders	\$ 71,624	\$ -	\$ (71,624)	\$ -	\$ 1,902
2022 John Deere graders	-	608,260	(31,000)	577,260	-

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

Description	Balance 12/31/2020	Additions	Payments	Balance 12/31/2021	Interest Paid
Promissory note Sheriff's trucks	\$ 39,840	\$ -	\$ (39,840)	\$ -	\$ 1,953
2017 John Deere graders	140,790	-	(69,166)	71,624	4,359

## 8. OPERATING LEASES

At December 31, 2022, the County has a non-cancellable 63-month lease for a postage machine beginning in May 2022 through August 2027 with a monthly payment of \$159. Future minimum lease payments are as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 1,909
2024	1,909
2025	1,909
2026	1,909
2027	1,272

The Howard County Sheltered Services Board has a non-cancellable 24-month lease for a copier beginning in June 2022 with a monthly payment of \$131. Future minimum lease payments are as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 1,572
2024	786

Additionally, the Howard County Sheltered Services Board has a non-cancellable 38-month lease for a postage machine beginning in May 2021 with a quarterly payment of \$69. Future minimum lease payments are as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 276
2024	138

#### 9. CHANGE IN REPORTING ENTITY

The County has changed the definition of the reporting entity at January 1, 2021 to exclude the CERF Fund. The CERF Fund is a pass-through fund used to collect and remit retirement funds collected and therefore will be excluded in the County's financial statements and reported with Fiduciary funds. This change had the effect of decreasing the County's cash balances at January 1, 2021 by \$4,179.

#### 10. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 17, 2023, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

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### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the County Commission and  
Officeholders of Howard County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Howard County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Howard County, Missouri's basic financial statements and have issued our report thereon dated August 17, 2023.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Howard County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Howard County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Howard County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Howard County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 17, 2023

## **FINDINGS AND RECOMMENDATIONS**

HOWARD COUNTY, MISSOURI  
FINDINGS AND RECOMMENDATIONS

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

None

**ITEMS OF NONCOMPLIANCE**

None

HOWARD COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Howard County, Missouri, on the applicable findings in the prior audit report issued for the year ended December 31, 2020.

There were no findings noted in the prior audit report.



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## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

August 17, 2023

To the County Commission and Officeholders  
Howard County, Missouri

We have audited the accompanying financial statements of Howard County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2021 and 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 22, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Howard County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year, except that the definition of the reporting entity was modified, as referenced in Note 9. We noted no transactions entered into by Howard County, Missouri during the years audited for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 17, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Howard County, Missouri's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Howard County, Missouri's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Howard County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Miller County, Missouri

The Office of the State Auditor contracted for an audit of Miller County's financial statements for the year ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by CR Williams & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized with a large, flowing "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

September 2023  
Report No. 2023-065



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**Recommendations in the contracted audit of Miller County**

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2021-01	The county strictly adheres to the internal budgetary control procedures and the statutory requirements established for the State of Missouri. It is also recommended that the budgetary system be regularly reviewed.
2021-02	The county implement proper investment management practices and ensure that it has proper investment management practices in place to prevent future issues with missing documentation. This may involve implementing better record-keeping procedures and training staff on proper investment management practices.
2021-03	The County Collector and County Commission ensure property tax system access is restricted to only allow officials and personnel to access functions necessary for their duties. In addition, we recommend the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.
2021-04	The County Treasurer and County Clerk work together to maintain positive fund balances within all governmental funds.

MILLER COUNTY, MISSOURI  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021

PREPARED BY:  
CRWilliams & Associates LLC  
Certified Public Accountants  
1257 N. Hornsby  
St. Louis, MO 63147  
(219)-944-1615 (ofc)/(866)-834-4294 (fax)  
[www.crwilliams.net](http://www.crwilliams.net)

MILLER COUNTY, MISSOURI  
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# MILLER COUNTY, MISSOURI

## List of Elected Officials 2021

### *County Commission*

Presiding Commissioner  
First District Commissioner  
Second District Commissioner

Tom Wright  
Don Abbett  
Travis Lawson

### *Other Elected Officials*

Assessor  
Surveyor  
Circuit Clerk Court  
Recorder of Deeds  
County Collector

County Coroner  
County Clerk  
Prosecuting Attorney  
Public Administrator  
Sheriff  
Treasurer

Joseph Cochran  
Rick Wilson  
Sheila Curtman  
Deb Wiles  
William Harvey (former)  
Jody Vance (current)  
Timothy Bradley  
Clinton Jenkins  
Benjamin Winfrey  
Theresa Lupardus  
Louie Gregorie  
Phil Lawson

1257 Hornsby \* St. Louis, Missouri 63147

TEL: (219) 944-1615 \* FAX: (866) 834-4294 \* [www.crwilliams.net](http://www.crwilliams.net)

## INDEPENDENT AUDITOR'S REPORT

To the County Commission and Officeholders of  
Miller County, Missouri

### **Unmodified and Adverse Opinion**

We have audited the accompanying financial statements of Miller County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash and Cash Equivalents - All Governmental Funds – Regulatory Basis and the Statement of Assets and Liabilities Arising from Cash Transactions Agency Funds - Regulatory Basis as of December 31, 2021, and the related Statements of Receipts, Disbursements and Changes in Cash and Cash Equivalents – Budget and Actual-All Governmental Funds Regulatory Basis for the year then ended, and the related notes to the financial statements.

### **Unmodified Opinions on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the Statement of Receipts, Disbursements and Changes in Cash and Cash Equivalents - All Governmental Funds – Regulatory Basis and the Statement of Assets and Liabilities Arising from Cash Transactions Agency Funds - Regulatory Basis as of December 31, 2021, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual-All Governmental Funds Regulatory Basis for the year then ended, in accordance with the financial reporting provisions of Missouri Law described in Note 1.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Unmodified and Adverse Opinions section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2021 or changes in net position and cash flows thereof for the year then ended.

### **Basis for Unmodified and Adverse Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Miller County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## INDEPENDENT AUDITOR'S REPORT- (continued)

### **Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Missouri Law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Miller County, Missouri's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

## INDEPENDENT AUDITOR'S REPORT- (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Miller County, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Miller County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2023, on our consideration of Miller County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Miller County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Miller County, Missouri's internal control over financial reporting and compliance.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
May 31, 2023

MILLER COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
ALL GOVERNMENTAL FUNDS- REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

Fund	Cash and Cash Equivalents December 31, 2020	Receipts 2021	Disbursements 2021	Cash and Cash Equivalents December 31, 2021
General Revenue	\$ 1,222,467	\$ 4,399,123	\$ 3,559,441	\$ 2,062,149
Special Road & Bridge	213,127	3,472,476	3,606,814	78,789
Assessment	475,856	424,706	475,618	424,944
Law Enforcement Training	4,000	3,446	6,541	905
Prosecuting Attorney Bad Check	23,964	3,604	15,885	11,683
Emergency Management	(53)	26,763	25,086	1,624
Prosecuting Attorney's Training	15,490	3,739	-	19,229
911 Emergency	(3,366)	939,504	932,917	3,221
Capital Improvement Tax	1,266,023	2,797,521	2,561,685	1,501,859
Senior Citizen Service	412,981	219,029	142,781	489,229
Sheriff's Discretionary	18,405	48,500	14,788	52,117
Prosecuting Attorney Delinquent Tax	9,459	31	-	9,490
Shelter for Victims of Domestic Violence	8,015	5,042	8,000	5,057
House Bill 786	25,732	31,436	13,268	43,900
Norman Rd/Hand Ln Maintenance	6	-	-	6
Miller County Payroll	-	83,922	-	83,922
Miller County Employee Health	153,958	800,776	838,996	115,738
Lake Ja-ha Sewer Neighborhood Improvement District	1,145	5,194	4,224	2,115
Family Access Motion	580	2	-	582
Sheriff's Drug Awareness and Resistance	8,150	2,645	3,261	7,534
Defendant UA/Security	7,015	2,591	621	8,985
Port Bagnell Road Neighborhood Improvement District	43,806	142	-	43,948
FEMA Disaster Relief	818,472	886,467	501,851	1,203,088
COVID-19 Relief	441,425	2,488,109	441,438	2,488,096
Sheriff's Deputy Supplemental Salary	6,312	60,211	77,765	(11,242)
Inmate Security	196,642	83,599	58,558	221,683
Recorder's Technology	24,459	8,752	13,447	19,764
W-15-C Neighborhood Improvement District	10,233	325	-	10,558
Country Road District Marina Tax	40,786	128	1,186	39,728
County Law Enforcement	64,097	22,267	48,146	38,218
Local Emergency Preparedness	33,743	109	235	33,617
Collector's Tax Maintenance	135,069	44,232	46,879	132,422
Peace Officer Standards and Training Commission	6,599	1,182	-	7,781
County Election Services	23,553	5,619	5,690	23,482
Cell Tower	31,060	6,721	-	37,781
Jail	(3,820)	1,344,252	1,362,063	(21,631)
Law Enforcement Sales Tax	-	153,209	-	153,209
<b>TOTAL</b>	<b>\$ 5,735,390</b>	<b>\$ 18,375,374</b>	<b>\$ 14,767,184</b>	<b>\$ 9,343,580</b>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	General Revenue Fund	
	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 1,222,467	\$ 1,222,467
RECEIPTS		
PROPERTY TAX	150,000	94,982
SALES TAX	2,300,000	2,732,094
INTERGOVERNMENTAL REVENUES	572,535	501,280
CHARGES FOR SERVICES	645,100	633,256
INTEREST	26,000	6,302
OTHER	81,650	431,209
TRANSFERS IN	40,000	-
TOTAL RECEIPTS	\$ 3,815,285	\$ 4,399,123
TOTAL FUNDS AVAILABLE	\$ 5,037,752	\$ 5,621,590
DISBURSEMENTS		
COUNTY COMMISSION	160,467	162,475
COUNTY CLERK	125,466	126,292
ELECTIONS	72,823	74,851
BUILDING AND GROUNDS	51,964	53,646
EMPLOYEE FRINGE BENEFITS	581,300	580,120
COUNTY TREASURER	57,714	55,378
COUNTY COLLECTOR	141,438	138,327
RECORDER OF DEEDS	115,102	111,985
CIRCUIT CLERK	11,300	6,864
COURT ADMINISTRATION	14,650	13,307
PUBLIC ADMINISTRATOR	61,298	57,767
SHERIFF	935,981	913,431
PROSECUTING ATTORNEY	342,513	351,480
JUVENILE OFFICER	95,960	80,829
COUNTY CORONER	33,182	70,265
TRANSFERS OUT	180,000	92,701
EMERGENCY FUND	97,000	-
OTHER	655,928	669,723
TOTAL DISBURSEMENTS	\$ 3,734,086	\$ 3,559,441
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 1,303,666	\$ 2,062,149

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Special Road & Bridge Fund	
	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 213,127	\$ 213,127
RECEIPTS		
PROPERTY TAX	625,000	607,645
INTERGOVERNMENTAL REVENUES	2,017,545	1,678,669
INTEREST	2,000	1,231
OTHER	117,500	802,384
TRANSFERS IN	160,000	382,547
TOTAL RECEIPTS	<u>\$ 2,922,045</u>	<u>\$ 3,472,476</u>
TOTAL FUNDS AVAILABLE	<u>\$ 3,135,172</u>	<u>\$ 3,685,603</u>
DISBURSEMENTS		
EMPLOYEE FRINGE BENEFITS	242,200	241,502
SALARIES	640,000	690,537
MATERIALS & SUPPLIES	517,500	483,379
EQUIPMENT REPAIRS	250,000	232,612
CAPITAL OUTLAY	418,723	1,188,456
CONSTRUCTION	785,000	686,344
OTHER	66,000	83,984
TOTAL DISBURSEMENTS	<u>\$ 2,919,423</u>	<u>\$ 3,606,814</u>
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	<u>\$ 215,749</u>	<u>\$ 78,789</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Assessment Fund		Law Enforcement Training Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 475,856	\$ 475,856	\$ 4,000	\$ 4,000
RECEIPTS				
INTERGOVERNMENTAL REVENUES	409,346	390,992	4,500	3,440
CHARGES FOR SERVICES	33,000	32,084	-	-
INTEREST	11,500	1,630	50	6
OTHER	6,000	-	-	-
TRANSFERS IN	-	-	2,000	-
TOTAL RECEIPTS	\$ 459,846	\$ 424,706	\$ 6,550	\$ 3,446
TOTAL FUNDS AVAILABLE	\$ 935,702	\$ 900,562	\$ 10,550	\$ 7,446
DISBURSEMENTS				
EMPLOYEE FRINGE BENEFITS	88,600	117,533	-	-
SALARIES	280,196	283,899	-	-
MATERIALS & SUPPLIES	60,000	59,548	-	-
SERVICES	7,920	6,181	6,400	6,541
EQUIPMENT REPAIRS	3,250	2,794	-	-
CAPITAL OUTLAY	5,000	110	-	-
CONSTRUCTION	-	-	-	-
OTHER	6,500	5,553	-	-
TOTAL DISBURSEMENTS	\$ 451,466	\$ 475,618	\$ 6,400	\$ 6,541
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 484,236	\$ 424,944	\$ 4,150	\$ 905

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Prosecuting Attorney Bad Check Fund		Emergency Management Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 23,964	\$ 23,964	\$ (53)	\$ (53)
RECEIPTS				
INTERGOVERNMENTAL REVENUES	15,211	3,550	-	2,995
INTEREST	975	54	-	-
OTHER	-	-	16,000	7,976
TRANSFERS IN	-	-	11,084	15,792
TOTAL RECEIPTS	\$ 16,186	\$ 3,604	\$ 27,084	\$ 26,763
TOTAL FUNDS AVAILABLE	\$ 40,150	\$ 27,568	\$ 27,031	\$ 26,710
DISBURSEMENTS				
EMPLOYEE FRINGE BENEFITS	1,969	2,099	1,072	1,155
SALARIES	24,000	13,587	11,000	10,910
MATERIALS & SUPPLIES	4,700	-	5,300	1,165
SERVICES	2,500	-	4,000	1,776
EQUIPMENT REPAIRS	-	-	200	-
CAPITAL OUTLAY	2,200	99	4,000	10,080
OTHER	2,000	100	500	-
TOTAL DISBURSEMENTS	\$ 37,369	\$ 15,885	\$ 26,072	\$ 25,086
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 2,781	\$ 11,683	\$ 959	\$ 1,624

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Prosecuting Attorney's Training Fund		911 Emergency Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 15,490	\$ 15,490	\$ (3,366)	\$ (3,366)
RECEIPTS				
SALES TAX	-	-	15,000	-
INTERGOVERNMENTAL REVENUES	1,679	3,681	50,000	63,604
CHARGES FOR SERVICES	-	-	160,000	171,302
INTEREST	240	58	-	-
OTHER	-	-	630,000	20,598
TRANSFERS IN	-	-	-	684,000
TOTAL RECEIPTS	<u>1,919</u>	<u>3,739</u>	<u>855,000</u>	<u>939,504</u>
TOTAL FUNDS AVAILABLE	\$ 17,409	\$ 19,229	\$ 851,634	\$ 936,138
DISBURSEMENTS				
EMPLOYEE FRINGE BENEFITS	-	-	184,845	188,279
SALARIES	-	-	485,000	547,645
MATERIALS & SUPPLIES	-	-	11,000	11,199
SERVICES	86	-	126,500	137,669
EQUIPMENT REPAIRS	-	-	9,000	9,522
CAPITAL OUTLAY	-	-	12,200	7,650
OTHER	-	-	24,050	30,953
TOTAL DISBURSEMENTS	<u>86</u>	<u>-</u>	<u>852,595</u>	<u>932,917</u>
ADJUSTMENTS	-	-	-	-
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	<u>\$ 17,323</u>	<u>\$ 19,229</u>	<u>\$ (961)</u>	<u>\$ 3,221</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Capital Improvement Tax Fund		Senior Citizen Service Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 1,266,023	\$ 1,266,023	\$ 412,981	\$ 412,981
RECEIPTS				
PROPERTY TAX	-	-	181,300	217,382
SALES TAX	1,900,000	2,374,780	-	-
INTERGOVERNMENTAL REVENUES	435,000	389,003	-	-
INTEREST	30,000	5,571	400	1,647
OTHER	271,000	28,167	-	-
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 2,636,000	\$ 2,797,521	\$ 181,700	\$ 219,029
TOTAL FUNDS AVAILABLE	\$ 3,902,023	\$ 4,063,544	\$ 594,681	\$ 632,010
DISBURSEMENTS				
DEBT SERVICE	321,500	261,054	-	-
MATERIALS & SUPPLIES	8,000	8,713	650	63
SERVICES	2,000	-	223,955	142,346
EQUIPMENT REPAIRS	150,000	94,180	-	-
CAPITAL OUTLAY	36,000	1,745	-	-
CONSTRUCTION	47,000	25,446	-	-
TRANSFERS OUT	1,675,387	1,675,387	-	-
TAX INCREMENT FINANCING	435,000	389,003	-	-
EMERGENCY FUND	-	-	3,000	-
OTHER	55,000	106,157	500	372
TOTAL DISBURSEMENTS	\$ 2,729,887	\$ 2,561,685	\$ 228,105	\$ 142,781
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 1,172,136	\$ 1,501,859	\$ 366,576	\$ 489,229

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Sheriff's Discretionary Fund		Prosecuting Attorney Delinquent Tax Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 18,405	\$ 18,405	\$ 9,459	\$ 9,459
RECEIPTS				
INTERGOVERNMENTAL REVENUES	50,000	13,131	-	-
INTEREST	300	109	-	31
OTHER	10,075	35,260	-	-
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 60,375	\$ 48,500	\$ -	\$ 31
TOTAL FUNDS AVAILABLE	\$ 78,780	\$ 66,905	\$ 9,459	\$ 9,490
DISBURSEMENTS				
EMPLOYEE FRINGE BENEFITS	500	-	-	-
SALARIES	4,000	-	-	-
MATERIALS & SUPPLIES	6,300	3,086	1,000	-
SERVICES	11,500	1,566	-	-
CAPITAL OUTLAY	28,200	10,136	1,000	-
OTHER	-	-	-	-
TOTAL DISBURSEMENTS	\$ 53,500	\$ 14,788	\$ 2,000	\$ -
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 25,280	\$ 52,117	\$ 7,459	\$ 9,490

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Shelter for Victims of Domestic Violence Fund		House Bill 786 Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 8,015	\$ 8,015	\$ 25,732	\$ 25,732
RECEIPTS				
INTERGOVERNMENTAL REVENUES	5,455	5,018	1,400	-
CHARGES FOR SERVICES	-	-	3,000	31,314
INTEREST	500	24	400	122
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	<u>5,955</u>	<u>5,042</u>	<u>4,800</u>	<u>31,436</u>
TOTAL FUNDS AVAILABLE	\$ 13,970	\$ 13,057	\$ 30,532	\$ 57,168
DISBURSEMENTS				
SERVICES	3,000	-	30,000	9,454
OTHER	-	8,000	-	3,814
TOTAL DISBURSEMENTS	<u>3,000</u>	<u>8,000</u>	<u>30,000</u>	<u>13,268</u>
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 10,970	\$ 5,057	\$ 532	\$ 43,900

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Norman Rd/Hand Ln Maintenance Fund		Miller County Payroll Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 6	\$ 6	\$ -	\$ -
RECEIPTS				
SALES TAX	-	-	-	56,978
INTEREST	-	-	-	35
TRANSFERS IN	-	-	-	26,909
TOTAL RECEIPTS	\$ -	\$ -	\$ -	\$ 83,922
TOTAL FUNDS AVAILABLE	\$ 6	\$ 6	\$ -	\$ 83,922
DISBURSEMENTS				
TOTAL DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 6	\$ 6	\$ -	\$ 83,922

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Miller County Employee Health Fund		Lake Ja-ha Sewer Neighborhood Improvement District Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 153,958	\$ 153,958	\$ 1,145	\$ 1,145
RECEIPTS				
SALES TAX	-	-	-	-
INTERGOVERNMENTAL REVENUES	-	-	4,315	5,189
INTEREST	550	568	25	5
OTHER	730,000	800,208	-	-
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 730,550	\$ 800,776	\$ 4,340	\$ 5,194
TOTAL FUNDS AVAILABLE	\$ 884,508	\$ 954,734	\$ 5,485	\$ 6,339
DISBURSEMENTS				
HEALTH AND WELFARE	1,125,000	838,996	-	-
DEBT SERVICE	-	-	4,000	4,224
TOTAL DISBURSEMENTS	\$ 1,125,000	\$ 838,996	\$ 4,000	\$ 4,224
ADJUSTMENTS	-	-	-	-
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ (240,492)	\$ 115,738	\$ 1,485	\$ 2,115

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Family Access Motion Fund		Sheriff's Drug Awareness and Resistance Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 580	\$ 580	\$ 8,150	\$ 8,150
RECEIPTS				
INTERGOVERNMENTAL REVENUES	-	-	2,800	2,620
INTEREST	-	2	50	25
TRANSFERS IN	-	-	3,000	-
TOTAL RECEIPTS	\$ -	\$ 2	\$ 5,850	\$ 2,645
TOTAL FUNDS AVAILABLE	\$ 580	\$ 582	\$ 14,000	\$ 10,795
DISBURSEMENTS				
MATERIALS & SUPPLIES	-	-	5,000	3,261
OTHER	-	-	-	-
TOTAL DISBURSEMENTS	\$ -	\$ -	\$ 5,000	\$ 3,261
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 580	\$ 582	\$ 9,000	\$ 7,534

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Defendant UA/Security Fund		Port Bagnell Road Neighborhood Improvement District Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 7,015	\$ 7,015	\$ 43,806	\$ 43,806
RECEIPTS				
INTERGOVERNMENTAL REVENUES	6,000	2,565	-	-
INTEREST	50	26	-	142
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 6,050	\$ 2,591	\$ -	\$ 142
TOTAL FUNDS AVAILABLE	\$ 13,065	\$ 9,606	\$ 43,806	\$ 43,948
DISBURSEMENTS				
PROSECUTING ATTORNEY	3,000	621	-	-
TOTAL DISBURSEMENTS	\$ 3,000	\$ 621	\$ -	\$ -
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 10,065	\$ 8,985	\$ 43,806	\$ 43,948

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	FEMA Disaster Relief Fund		COVID-19 Relief Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 818,472	\$ 818,472	\$ 441,425	\$ 441,425
RECEIPTS				
INTERGOVERNMENTAL REVENUES	500,000	885,885	-	2,488,095
INTEREST	-	582	-	14
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 500,000	\$ 886,467	\$ -	\$ 2,488,109
TOTAL FUNDS AVAILABLE	\$ 1,318,472	\$ 1,704,939	\$ 441,425	\$ 2,929,534
DISBURSEMENTS				
HEALTH AND WELFARE	-	-	441,425	441,438
MATERIALS & SUPPLIES	-	119,276	-	-
SERVICES	-	50,000	-	-
TRANSFERS OUT	-	332,547	-	-
OTHER	-	28	-	-
TOTAL DISBURSEMENTS	\$ -	\$ 501,851	\$ 441,425	\$ 441,438
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 1,318,472	\$ 1,203,088	\$ -	\$ 2,488,096

The accompanying Notes to the Financial Statements are an integral part of these statements.



MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Sheriff's Deputy Supplemental Salary Fund		Inmate Security Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 6,312	\$ 6,312	\$ 196,642	\$ 196,642
RECEIPTS				
INTERGOVERNMENTAL REVENUES	107,600	60,211	-	-
CHARGES FOR SERVICES	-	-	87,751	82,881
INTEREST	-	-	1,000	718
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 107,600	\$ 60,211	\$ 88,751	\$ 83,599
TOTAL FUNDS AVAILABLE	\$ 113,912	\$ 66,523	\$ 285,393	\$ 280,241
DISBURSEMENTS				
EMPLOYEE FRINGE BENEFITS	13,300	8,756	-	-
SALARIES	100,000	69,009	-	-
MATERIALS & SUPPLIES	-	-	75,000	58,558
SERVICES	-	-	500	-
OTHER	7,026	-	25,000	-
TOTAL DISBURSEMENTS	\$ 120,326	\$ 77,765	\$ 100,500	\$ 58,558
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ (6,414)	\$ (11,242)	\$ 184,893	\$ 221,683

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Recorder's Technology Fund		W-15-C Neighborhood Improvement District	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 24,459	\$ 24,459	\$ 10,233	\$ 10,233
RECEIPTS				
INTERGOVERNMENTAL REVENUES	-	-	15,681	291
CHARGES FOR SERVICES	9,000	8,689	-	-
INTEREST	1,300	63	265	34
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 10,300	\$ 8,752	\$ 15,946	\$ 325
TOTAL FUNDS AVAILABLE	\$ 34,759	\$ 33,211	\$ 26,179	\$ 10,558
DISBURSEMENTS				
SERVICES	1,200	1,183	-	-
CAPITAL OUTLAY	20,000	12,264	-	-
OTHER	-	-	-	-
TOTAL DISBURSEMENTS	\$ 21,200	\$ 13,447	\$ -	\$ -
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 13,559	\$ 19,764	\$ 26,179	\$ 10,558

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Country Road District Marina Tax Fund		County Law Enforcement Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 40,786	\$ 40,786	\$ 64,097	\$ 64,097
RECEIPTS				
INTERGOVERNMENTAL REVENUES	3,000	-	-	-
CHARGES FOR SERVICES	-	-	26,900	22,148
INTEREST	900	-	1,500	119
OTHER	-	128	-	-
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	<u>3,900</u>	<u>128</u>	<u>28,400</u>	<u>22,267</u>
TOTAL FUNDS AVAILABLE	\$ <u>44,686</u>	\$ <u>40,914</u>	\$ <u>92,497</u>	\$ <u>86,364</u>
DISBURSEMENTS				
EMPLOYEE FRINGE BENEFITS	-	-	-	870
SALARIES	-	-	-	5,714
MATERIALS & SUPPLIES	28,000	1,186	-	-
SERVICES	-	-	-	-
CAPITAL OUTLAY	-	-	-	-
OTHER	-	-	-	-
TOTAL DISBURSEMENTS	<u>28,000</u>	<u>1,186</u>	<u>51,000</u>	<u>41,562</u>
	\$ <u>28,000</u>	\$ <u>1,186</u>	\$ <u>51,000</u>	\$ <u>48,146</u>
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 16,686	\$ 39,728	\$ 41,497	\$ 38,218

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Local Emergency Preparedness Fund		Collector's Tax Maintenance Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 33,743	\$ 33,743	\$ 135,069	\$ 135,069
RECEIPTS				
INTERGOVERNMENTAL REVENUES	6,082	-	-	-
CHARGES FOR SERVICES	-	-	45,136	44,232
INTEREST	900	109	-	-
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 6,982	\$ 109	\$ 45,136	\$ 44,232
TOTAL FUNDS AVAILABLE	\$ 40,725	\$ 33,852	\$ 180,205	\$ 179,301
DISBURSEMENTS				
SERVICES	6,500	235	40,000	46,879
CAPITAL OUTLAY	15,000	-	-	-
OTHER	-	-	-	-
TOTAL DISBURSEMENTS	\$ 21,500	\$ 235	\$ 40,000	\$ 46,879
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 19,225	\$ 33,617	\$ 140,205	\$ 132,422

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Peace Officer Standards and Training Commission Fund		County Election Services Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 6,599	\$ 6,599	\$ 23,553	\$ 23,553
RECEIPTS				
INTERGOVERNMENTAL REVENUES	2,000	1,160	6,000	5,531
INTEREST	100	22	50	88
OTHER	-	-	3,500	-
TRANSFERS IN	-	-	-	-
TOTAL RECEIPTS	\$ 2,100	\$ 1,182	\$ 9,550	\$ 5,619
TOTAL FUNDS AVAILABLE	\$ 8,699	\$ 7,781	\$ 33,103	\$ 29,172
DISBURSEMENTS				
MATERIALS & SUPPLIES	-	-	2,500	-
SERVICES	2,000	-	-	-
CAPITAL OUTLAY	-	-	6,500	5,690
OTHER	-	-	-	-
TOTAL DISBURSEMENTS	\$ 2,000	\$ -	\$ 9,000	\$ 5,690
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	\$ 6,699	\$ 7,781	\$ 24,103	\$ 23,482

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	Cell Tower Fund		Jail Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ 31,060	\$ 31,060	\$ (3,820)	\$ (3,820)
RECEIPTS				
INTERGOVERNMENTAL REVENUES	-	-	644,865	350,824
CHARGES FOR SERVICES	7,900	6,600	-	-
INTEREST	100	121	50	-
OTHER	-	-	3,000	2,041
TRANSFERS IN	-	-	991,387	991,387
TOTAL RECEIPTS	8,000	6,721	1,639,302	1,344,252
TOTAL FUNDS AVAILABLE	39,060	37,781	1,635,482	1,340,432
DISBURSEMENTS				
EMPLOYEE FRINGE BENEFITS	-	-	255,271	230,965
SALARIES	-	-	611,437	672,247
MATERIALS & SUPPLIES	-	-	35,288	11,089
SERVICES	-	-	216,500	156,447
EQUIPMENT REPAIRS	-	-	3,500	23,027
CAPITAL OUTLAY	-	-	5,600	2,560
CONSTRUCTION	-	-	45,000	39,709
OTHER	8,000	-	244,710	226,019
TOTAL DISBURSEMENTS	8,000	-	1,417,306	1,362,063
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	31,060	37,781	218,176	(21,631)

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND CASH EQUIVALENTS  
BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS-REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	<u>Law Enforcement Sales Tax Fund</u>	
	BUDGET	ACTUAL
NET CASH AND CASH EQUIVALENTS AVAILABLE AT JANUARY 1	\$ -	\$ -
RECEIPTS		
SALES TAX	-	153,202
INTEREST	-	7
TRANSFERS IN	-	-
TOTAL RECEIPTS	<u>\$ -</u>	<u>\$ 153,209</u>
TOTAL FUNDS AVAILABLE	<u>\$ -</u>	<u>\$ 153,209</u>
DISBURSEMENTS		
TOTAL DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>
NET CASH AND CASH EQUIVALENTS AVAILABLE AT DECEMBER 31	<u>\$ -</u>	<u>\$ 153,209</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MILLER COUNTY, MISSOURI  
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
AGENCY FUNDS- REGULATORY BASIS  
AS OF DECEMBER 31, 2021

	Financial Institution Tax	Overplus Sales Tax	Bagnell M.T.M.	Kaiser Special Marina Tax	Criminal Costs	School Fines	School Funds	TIF 2 Prewitt's Point	TIF #3 OSAGE NATIONAL RETAIL	Miller Co Employee Health Care Fund	Total Fiduciary Funds
<b>ASSETS</b>											
Cash and Cash Equivalents	\$ 53,732	\$ 31,322	\$ 151,848	\$ 22,692	\$ 158	\$ 126,231	\$ 7,181	\$ -	\$ 1,132	\$ 88,643	\$ 482,939
<b>TOTAL ASSETS</b>	<u>\$ 53,732</u>	<u>\$ 31,322</u>	<u>\$ 151,848</u>	<u>\$ 22,692</u>	<u>\$ 158</u>	<u>\$ 126,231</u>	<u>\$ 7,181</u>	<u>\$ -</u>	<u>\$ 1,132</u>	<u>\$ 88,643</u>	<u>\$ 482,939</u>
<b>LIABILITIES</b>											
Total Liabilities	\$ 53,732	\$ 31,322	\$ 151,848	\$ 22,692	\$ 158	\$ 126,231	\$ 7,181	\$ -	\$ 1,132	\$ 88,643	\$ 482,939
<b>TOTAL LIABILITIES</b>	<u>\$ 53,732</u>	<u>\$ 31,322</u>	<u>\$ 151,848</u>	<u>\$ 22,692</u>	<u>\$ 158</u>	<u>\$ 126,231</u>	<u>\$ 7,181</u>	<u>\$ -</u>	<u>\$ 1,132</u>	<u>\$ 88,643</u>	<u>\$ 482,939</u>



The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 1 - Summary of Significant Accounting Policies**

The County of Miller, Missouri ("County"), which is governed by a three-member board of commissioners, was established in 1837 by an Act of the Missouri Territory. In addition to the three Commissioners, there are 11 elected constitutional officers: County Clerk, Collector of Revenue, Treasurer, Circuit Clerk, County Surveyor, Recorder of Deeds, Sheriff, Assessor, Public Administrator and Prosecuting Attorney.

As discussed further in Note 1, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of Miller County, Missouri and the Miller County Senior Citizens Service Board.

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, transportation, economic development, and social and recreation services.

The financial statements referred to above include only the primary government of Miller County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise Miller County's legal entity. The Miller County Senior Citizens Service Board is controlled by a separate board and is also included under the control of the County. The Miller County Senate Bill 40 Board is controlled by a separate board which has issued separately audited financial statements. For information, please contact the Miller County Senate Bill 40 Board by calling (573) 348-3751 (or write to 776 Hwy. D, Osage Beach, MO 65065).

Certain elected County officials, such as the County Treasurer, collect and hold monies in a trustee capacity as an agent of an individual, taxing units, or other government. These assets, which are held by this officeholder for the sole benefit of external parties are reported on the accompanying financial statements on the Statements of Assets and Liabilities Arising from Cash Transactions.

Basis of Presentation

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The accompanying financial statements present the receipts, disbursements, and changes in cash of all funds of the County and the comparisons of such information with the corresponding budgeted information for all funds of the County. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission or an elected county official. The General Revenue Fund is the County's general operation fund, accounting for all financial resources except those required to be accounted for in

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Basis of Presentation (continued)

another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

Basis of Accounting

The financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

As a result of the use of this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation, bonds and obligations under capital leases), and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Budget and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50 RSMo, Miller County adopts a budget for each governmental fund.
2. On or before January 15th, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures for all budgeted funds.

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Budget and Budgetary Accounting (continued)

4. State law requires that, at the individual level, budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.
5. A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget financial statements. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets.

During our audit, it was noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The following funds had actual expenditures that exceeded the budgeted expenditures in 2021: Special Road & Bridge Fund, Assessment Fund, Law Enforcement Training Fund, 911 Emergency Fund, Shelter-Victims of Domestic Violence Fund, Lake Ja-ha Sewer N.I.D. Fund, FEMA Disaster Relief Fund, COVID-19 Relief Fund, and Collectors Tax Maintenance Fund.

The following funds did not have a prepared budget for 2021: Miller County Payroll and Law Enforcement Sales Tax.

We noted the following funds had budgeted a deficit in 2021: 911 Emergency Fund, Miller County Employee Health Fund and Sheriff's Deputy Supplemental Salary Fund.

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuation of the tangible taxable property, included within Miller County's boundaries for the calendar year 2021 for the purposes of County taxation was as follows:

	<b>2021</b>
Real Estate	\$ 344,083,488
Personal Property	111,906,698
Railroad and Utilities	19,998,560
	<b><u>\$ 475,988,746</u></b>

The tax levy per \$100 assessed valuation of tangible taxable property for the calendar year 2021 for the purpose of County taxation, was as follows:

General Revenue	\$ 0.2586
Special Road and Bridge	0.2577
Miller County Developmental Disability Board	0.0828
Senior Citizen Service Board	0.0479

The County also receives sales tax collected by the State and remitted based on the County's sales tax rate to the total sales tax collected in the County.

Cash Deposits and Investments

Deposit and cash equivalents are stated at cost, which approximates the market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 1 - Summary of Significant Accounting Policies (continued)**

authorized investments held in the County's name at third-party banking institutions. Details of these cash and cash equivalent and investment balances are presented in Note 2.

Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are eliminated due to reporting the financial statements on the regulatory basis of accounting.

Legally required transfers are reported as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.

**Note 2 - Deposits and Investments**

The County maintains a cash and temporary investment pool that is available for use by all funds. Deposits with maturities greater than three months are considered investments while deposit with maturities of 3 months and less are considered cash equivalents. The County held a certificate of deposit with maturities of 3 months and less at the end of the year. Each fund type's portion of this pool is displayed on the statement of receipts, disbursements, and changes in cash arising from cash transactions as "Cash and Equivalents".

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. The bank balances and carrying values of deposits and cash equivalents shown below are included in the financial statements at December 31, 2021, as follows:

Cash Deposits

	Carrying Values	Bank Balances
Governmental	\$ 8,832,019	\$ 8,884,952
Fiduciary	482,939	482,939
Total Cash Deposits as of December 31, 2021	\$ 9,314,958	\$ 9,367,891

Cash Equivalents

	Carrying Values	Bank Balances
Governmental	\$ 511,561	\$ 511,561
Total Cash Equivalents as of December 31, 2021	\$ 511,561	\$ 511,561
Total Cash and Equivalents	\$ 9,826,520	\$ 9,879,452

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 2 - Deposits and Investments-continued**

Custodial Credit Risk - Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At December 31, 2021, 100% of the County's deposits and investments were covered by the Federal Deposit Insurance Corporation (FDIC) or were collateralized.

Custodial Credit Risk - Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party that sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments.

All investments, evidenced by individual securities, are registered in the name of the County or of a type that are not exposed to custodial credit risk.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U. S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets of a specific maturity, specific issuer or specific class of securities. The County's deposits were not exposed to concentration of investment credit risk for the year ended December 31, 2021.

**Note 3 - Interfund Transfers**

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 3 - Interfund Transfers-continued**

Transfers between funds for the years ended December 31, 2021 are as follows:

	2021	
	Transfers In	Transfers Out
General Revenue Fund	-	92,701
Special Road and Bridge Fund	382,547	-
Miller County Payroll Fund	26,909	-
Emergency Management Fund	15,792	-
911 Emergency Fund	684,000	-
Capital Improvement Tax	-	1,675,387
Jail Fund	991,387	-
FEMA Disaster Relief	-	332,547
TOTAL	2,100,635	2,100,635

**Note 4 - State of Missouri County Employees' Retirement Fund (CERF)**

Plan Description

The County Employees' Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elected or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo, and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of legislature and was effective August 28, 1994. The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of eleven persons.

Benefits Provided

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death. Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.



**Note 4 - State of Missouri County Employees' Retirement Fund (CERF)-continued**

Benefits Provided- continued

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, Missouri, 65101, by calling (573) 632-9203, or by visiting the CERF website at [www.mocerf.org](http://www.mocerf.org).

Contributions

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to CERF. All participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. During 2021, the County collected and remitted to CERF employee contributions of \$132,144.06.

**Note 5 - Local Government Employees Retirement System (LAGERS)**

Plan Description

The County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple- employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Sections 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publically available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri, 65102, by calling (800) 447-4334, or by visiting the LAGERS website at [www.molagers.org](http://www.molagers.org).



The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 5 - Local Government Employees Retirement System (LAGERS)-continued**

Benefits Provided

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police) and early retirement age is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and the amount of credited service time.

Contributions

Full-time employees of the County contribute 4% to the pension plan.

The January 1st statutorily required employer contribution rates were 8.4% (General) and 3.5% (Police) of annual covered payroll for the year ended December 31, 2021. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the year ended December 31, 2021, the County contributed \$257,700.50 to LAGERS.

**Note 6 - Prosecuting Attorney Retirement Fund**

In accordance with state statute Section 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys' and Circuit Attorneys' Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County has contributed \$11,628 for the year ended December 31, 2021.

**Note 7 - Post-Employment Benefits**

Miller County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by Miller County.

**Note 8 - Long-Term Debt**

Capital Leases and Notes Payable

In 2015, the County entered into a lease purchase agreement to finance the purchase of a 2015 John Deere Grader at a cost of \$118,500. During 2021, this lease was paid off amounting to 39,644 which includes interest of 2.01%.

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

**Note 8 - Long-Term Debt-continued**

Capital Leases and Notes Payable-continued

In 2017, the County entered into a lease purchase agreement to finance the purchase of a 2017 John Deere Grader at a cost of \$234,020. The agreement requires a one-time payment of \$35,000 at signing and subsequent annual payments of \$43,828 ending in 2022, which includes interest of 2.45%. This lease was paid off in 2021 which totaled to \$86,979.16.

In 2018, the County entered into a lease purchase agreement to finance the purchase of a 2018 John Deere Grader at a cost of \$236,020. The agreement requires a one-time payment of \$25,000 at signing and subsequent annual payments of \$47,057 ending in 2023, which includes interest of 3.74%. This lease was paid off in 2021 which totaled to \$138,249.29.

In 2019, the County entered into a lease purchase agreement to finance the purchase of a 2019 John Deere Grader at a cost of \$200,000. The agreement requires subsequent annual payments of \$47,028 ending in 2024, which includes interest of 4.00%. This lease was paid off in 2021 which totaled to \$173,232.31.

On November 5, 2020, the County entered into a note payable to finance the purchase of two 2021 Mack Trucks at a cost of \$282,790. The agreement requires annual payments of \$36,051.10, and balloons of \$225,000, ending on November 5, 2022, which includes interest of 2.92%.

On December 1, 2020, the County entered into a note payable to finance the purchase of two 2021 Mack Trucks at a cost of \$281,790. The agreement requires annual payments of \$40,758.70, and balloons of \$214,000, ending on December 1, 2022, which includes interest of 2.92%.

	<b>Balance at 1/1/2021</b>	<b>Amount Repaid</b>	<b>Balance at 12/31/2021</b>	<b>Interest Paid During the Year</b>
2021 Mack Truck #1	\$ 141,395	\$ 16,294	\$ 125,101	\$ 1,732
2021 Mack Truck #2	141,395	16,294	125,101	1,732
2021 Mack Truck #3	140,895	19,154	121,741	1,225
2021 Mack Truck #4	140,895	19,154	121,741	1,225
<b>Totals</b>	<b>564,580</b>	<b>70,896</b>	<b>493,684</b>	<b>5,914</b>

As of December 31, 2021, future minimum payments due on notes payable are as follows:

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 493,684	\$ 15,306	\$ 508,990

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

**Note 8 - Long-Term Debt-continued**

Loans Payable

In 2021, the County entered into a loan agreement with Bank of St. Elizabeth to refinance the purchase of two 2021 John Deere Graders at a cost of \$273,000 each. The loan amount for the financing is \$476,110 with an interest rate of 2.25% which requires four regular payments of \$102,000 starting on September 1, 2022 and one irregular last payment estimated at \$101,197.43 ending on September 1, 2026.

As of December 31, 2021, future minimum payments due on the loan agreement are as follows:

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 91,288	\$ 10,712	\$ 102,000
2023	93,341	8,659	102,000
2024	95,442	6,558	102,000
2025	97,589	4,411	102,000
Thereafter	98,450	2,747	101,197
	<b><u>\$ 476,110</u></b>	<b><u>\$ 33,087</u></b>	<b><u>\$ 509,197</u></b>

Lease Certificates of Participation

Series 2015 Lease Certificates of Participation (C.O.P.) were issued on October 21, 2015 between the County and BOK Financial for \$3,710,000 for the Miller County Courthouse and Jail Project. Refunding Certificates of Participation (Series 2020) for the Miller County Courthouse and Jail Project were issued on November 1, 2010 between the County and BOK Financial for \$4,295,000. This provided the County with \$371,485.65 in total debt service savings over the life of Series 2015 C.O.P., which is through 2030. The present value of this projected savings is \$290,082.97.

The change in C.O.P.'s debt obligations for the years ended December 31, 2021 are as follows:

<b>Balance at 1/1/2021</b>	<b>Principal paid</b>	<b>Interest paid</b>	<b>Balance at 12/31/2021</b>
\$2,605,000.00	\$205,000.00	\$55,429.00	\$2,400,000.00

Interest expense for the years ended December 31, 2021 was \$83,035 and the County paid only \$55,429.

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

**Note 8 - Long-Term Debt-continued**

Lease Certificates of Participation-continued

As of December 31, 2021, future minimum payments due on the Lease Certificates of Participation are as follows:

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 270,000	\$ 77,043	\$ 347,043
2023	250,000	70,443	320,443
2024	255,000	63,193	318,193
2025	265,000	55,415	320,415
2026	265,000	47,068	312,068
Thereafter	1,095,000	97,094	1,192,094
	<b>\$ 2,400,000</b>	<b>\$ 410,256</b>	<b>\$ 2,810,256</b>

Lines of Credit

The County opened a line of credit from Citizen's Bank of Eldon in 2003. The total amount of credit issued to the County was \$350,000 with variable interest rates ranging from 2.58% to 4.25%. As of December 31, 2021 the line of credit was paid in full. The amount paid in 2021 amounted to \$49,467.37.

Neighborhood Improvement District Bonds

Series 2003 Neighborhood Improvement District Bonds were issued in October 2003, to fund the Lake Ja-Ha Subdivision Sewer project in the amount of \$51,500. The interest rate is 5.50% and the bonds mature in 2023.

The change in Neighborhood Improvement District Bonds debt obligations for the year ended December 31, 2021, is as follows:

	<b>Balance at 1/1/2021</b>	<b>Principal</b>	<b>Balance 12/31/2021</b>	<b>Interest Paid During the Year</b>
Series 2003	\$ 11,654	\$ 3,673	\$ 7,981	\$ 555.07
	<b>\$ 11,654</b>	<b>\$ 3,673</b>	<b>\$ 7,981</b>	<b>\$ 555.07</b>

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 8 - Long-Term Debt-continued**

Neighborhood Improvement District Bonds-continued

As of December 31, 2021, future minimum payments due on the Neighborhood Improvement District Bonds are as follows:

<b>Year Ending December 31,</b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2022	\$ 3,881	\$ 439	\$ 4,320
2023	4,100	226	4,326
	<u>\$ 7,981</u>	<u>\$ 665</u>	<u>\$ 8,646</u>

**Note 9 - Claims, Commitments and Contingencies**

Litigation

The County is subject to various claims and legal proceeding covering a wide range of matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Compensated Absences

The County provides employees with annual leave. Each employee earns leave based upon his or her term of service with the County earning one day per month for the first ten years, 1.25 days per month for 10-15 years of service, 1.5 days per month for 15-20 years of service, 1.75 days per month for 20-25 years of service, and 2 days per month for over 25 years of service. Annual leave must be used in the year it is earned; however, 100 hours leave may be carried over from year to year for employees with 1-5 years of service, 180 hours for employees with 6-15 years of service, and 240 hours for employees with over 15 years of service. Any unused leave time in excess of these amounts will be forfeited at the end of the calendar year. Annual leave accrual shall commence with the employee's date of employment with Miller County.

In the event an employee becomes ill and requires the use of accrued vacation time along with sick leave, he or she may do so with the understanding that accrued vacation time cannot be used in excess of what is remaining and due given the employees' tenure and the aforementioned schedule. During a scheduled vacation, sick leave shall not be granted. As vacation is granted for a period of recreation, no employee shall be permitted to waive such leave for the purpose of receiving double pay. Upon termination of employment, any employee who has accumulated vacation time shall be paid for unused time at the final regular rate received by such employee. This terminates all prior service with the County. Sick time is not reimbursable upon termination of employment with the County.

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 9 - Claims, Commitments and Contingencies-continued**

Other Commitments

Part of the County's taxing district contains a redevelopment area subject to a TIF plan where the County must remit certain economic activity taxes to a local City for the purpose of reimbursing certain costs of development. The County is committed to remitting these taxes through the year ended December 31, 2023; future amounts are based on overall taxes collected for the development area and cannot be estimated. Payments remitted for the years ended December 31, 2021 totaled \$778,005.

Federal and State Assisted Programs

The County receives proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned. Such audits could result in refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

**Note 10 - Risk Management**

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body created pursuant to state statute (Section 537.700 RSMo.). The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-Injured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$500,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

The County of Miller  
Notes to the Financial Statements  
For the year ended December 31, 2021

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**Note 11 - Subsequent Events**

The County has evaluated events subsequent to December 31, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through May 31, 2023, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS*

To the County Commission and  
Officeholders of Miller County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Miller County, which comprise the Statement of Receipts, Disbursements and Changes in Cash and Cash Equivalents - All Governmental Funds – Regulatory Basis and the Statement of Assets and Liabilities Arising from Cash Transactions Agency Funds - Regulatory Basis as of December 31, 2021, and the related Statements of Receipts, Disbursements and Changes in Cash and Cash Equivalents – Budget and Actual-All Governmental Funds Regulatory Basis, and the related notes to the financial statements, which collectively comprise the County's basis financial statement, and have issued our report thereon dated May 31, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Miller County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Miller County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Miller County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-01 to 2021-04 that we consider to be significant deficiencies.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS* - continued

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Miller County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2021-01.

**Miller County, Missouri's Response to Findings**

*Government Auditing Standards* require the auditor to perform limited procedures on Miller County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Miller County, Missouri's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
May 31, 2023

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE

To the County Commissioner  
Miller County, Missouri

**Report on Compliance for Each Major Federal Program*****Opinion on Each Major Federal Program***

We have audited Miller County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Miller County, Missouri's major federal programs for the year ended December 31, 2021, and 2020. Miller County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Miller County, Missouri complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021, and 2020.

***Basis for Opinions***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in Auditor's Responsibilities for the Audit of the Compliance section of our report.

We are required to be independent of Miller County, Missouri, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Miller County, Missouri's compliance with the compliance requirements referred to above.

1257 Hornsby \* St. Louis, Missouri 63147

TEL: (219) 944-1615 \* FAX: (866) 834-4294 \* [www.crwilliams.net](http://www.crwilliams.net)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE-*continued*

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grants agreements applicable to Miller County, Missouri's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Miller County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Miller County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Miller County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Miller County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Miller County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE-*continued*

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri

May 31, 2023

The County of Miller  
Tuscumbia, Missouri  
Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2021

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Total Federal Expenditures	Amount Sent to Subrecipients
	U. S. DEPARTMENT OF HOMELAND SECURITY			
	Passed through:			
97.036	Missouri Emergency Management Agency			
	Disaster Grants - Public Assistance Grants	PA07MO4238	\$ 332,547	\$ -
	Presidential Declared Disasters	PA07MO4451	118,918	-
	Subtotal for Missouri Emergency Management Agency		451,465	-
	U.S. DEPARTMENT OF JUSTICE			
	Passed through:			
	State Department of Public Safety -			
16.738	Edward Byrne Memorial	2020-MU-BX-0059-37	\$ 8,190	\$ -
	Justice Assistance Grant	Subgrant #2020-LLEBG		
	U. S. DEPARTMENT OF TRANSPORTATION			
	Passed through:			
	Highway and Transportation Commission -			
20.205	Highway Planning and Const.	BRO-B066021	\$ 623,731	\$ -
	U.S. DEPARTMENT OF TREASURY			
	Passed through:			
	Missouri State Treasurer's Office			
21.019	COVID-19 Relief		\$ 441,438	\$ 328,673
TOTAL			\$ 1,524,824	\$ 328,673

The County of Miller  
Tuscumbia, Missouri  
Notes to Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2021

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the County of Miller under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Miller, it is not intended to and does not present the financial position, changes in net assets, or cash flows, of the County of Miller.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 – INDIRECT COST RATE**

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4 – SUBRECIPIENTS**

During the year ended December 31, 2021 the County provided \$328,673 in federal awards to sub-recipients for the Schools, Cities and Fire Districts under Federal Assistance Listing Number 21.019.

**NOTE 5 – DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (Unaudited)**

The County received donated face masks, hand sanitizer, protective gloves and disinfected wipes from the State of Missouri during 2021.

The County of Miller  
Tuscumbia, Missouri  
Schedule of Findings and Responses  
For the year ended December 31, 2021

**I. SUMMARY OF AUDITOR'S RESULT**

**A. Financial Statements**

1. Type of Auditor's report issued: Qualified – Regulatory Basis

2. Internal control over financial reporting:

a. Material Weakness(es) identified? 2021 Yes \_\_\_ No √

b. Significant deficiency(ies) identified? 2021 Yes √ No \_\_\_

3. Noncompliance material to financial statements noted. 2021 Yes √ No \_\_\_

**B. Federal Awards**

1. Internal control over major federal programs:

a. Material weakness(es) identified? 2021 Yes \_\_\_ No √

b. Significant deficiency(ies) identified? 2021 Yes \_\_\_ No √

2. Type of auditor's report issued on compliance for Major program: 2021 Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with section 2CFR 200.516(a)? 2021 Yes \_\_\_ No √

4. Identification of Major Federal Program

<u>Name Federal Program or Cluster Title</u>	<u>ALN Number</u>	<u>Expenditures</u>
COVID-19 Relief	21.019	441,438
Disaster Grants - Public Assistance Grants	97.036	332,547
Presidential Declared Disasters	97.036	118,918
Highway Planning and Constructions	20.205	623,731

5. Dollar threshold used to distinguish between type A and Type B programs \$ 750,000

6. Auditee qualified as a low-risk auditee? 2021 Yes \_\_\_ No √

The County of Miller  
Tuscumbia, Missouri  
Schedule of Findings and Responses  
For the year ended December 31, 2021

## II. FINANCIAL STATEMENT FINDINGS

### Significant Deficiency and Noncompliance

#### 2021-01: Budgetary Policies Noncompliance

**Condition:** During our audit for December 2021, we noted the following budgetary noncompliance:

1. The County did not allocate a budget for the Miller County Payroll Fund and Law Enforcement Sales Tax Fund.
2. The County actual expenditures exceeded the budget for the following funds:
  - a. Special Road & Bridge Fund
  - b. Assessment Fund
  - c. Law Enforcement Training Fund
  - d. 911 Emergency Fund
  - e. Shelter-Victims of Domestic Violence Fund
  - f. Lake Ja-ha Sewer Neighborhood Improvement District Fund
  - g. FEMA Disaster Relief Fund
  - h. COVID-19 Relief Fund
  - i. Collectors Tax Maintenance Fund
3. We noted the following funds had budgeted a deficit in 2021: 911 Emergency Fund, Miller County Employee Health Fund and Sheriff's Deputy Supplemental Salary Fund.

**Criteria:**

1. In accordance with Section 50.540, RSMo, the County's policy is to adopt a budget for each governmental fund. Adoption of a formal budget is required by law.
2. Section 50.740, RSMo prohibits expenditures in excess of approved budget.
3. State law require that, at the individual level, budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received.

**Cause:** There is a significant deficiency in the budgetary system in the County. In addition, the County has poor budgetary control.

**Effect:** These conditions were a violation of the budgetary policies. These will lead to overspending of funds and misappropriation of assets.

**Recommendation:** We recommend that the County strictly adheres to the internal budgetary control procedures and the statutory requirements established for the State of Missouri. It is also recommended that the budgetary system be regularly reviewed.



The County of Miller  
Tuscumbia, Missouri  
Schedule of Findings and Responses  
For the year ended December 31, 2021

**2021-01: Budgetary Policies Noncompliance-continued**

**Management Response:**

1. Miller County Payroll Fund and the Law Enforcement Sales Tax Fund were not created until late 2021.
2. All funds that had disbursements that exceeded budgeted amounts occurred unforeseen expenditures in 2021.
3. 911 Emergency Fund had end of year payroll taxes after the last fund transfer that put them in the negative.

**Significant Deficiencies**

**2021-02: Unrecorded Certificate of Deposit Transactions**

**Condition:** We noted during our audit that the certificate of deposit redemption and reinvestment were not completely and timely recorded.

**Criteria:** Under Missouri law, Counties are required to provide supporting documents, such as certificates of deposit, for all outstanding balances of deposits. Failure to provide these documents may violate Missouri Revised Statutes Section 110.020, which requires that all county officers keep accurate records and accounts of all funds and securities received and disbursed on behalf of the county.

**Cause:** This condition was caused by a lack of internal control policy in place over investment transactions.

**Effect:** It is difficult to verify the accuracy of the county's financial records and ensure that funds are being properly managed and accounted for. Thus, it may lead to reporting inaccuracies in the financial statements and notes to the financial statements.

**Recommendation:** We recommend that the County implement proper investment management practices and ensure that it has proper investment management practices in place to prevent future issues with missing documentation. This may involve implementing better record-keeping procedures and training staff on proper investment management practices.

**Management Response:** The untimely recording of the certificate of deposit was due to the late notification of the receipt. One of the Certificate of Deposits from the bank didn't come with a receipt or slip, to notify the County in December and it was entered in January.

The County of Miller  
Tuscumbia, Missouri  
Schedule of Findings and Responses  
For the year ended December 31, 2021

**2021-03: Internal Controls over Property Tax System**

**Criteria:** Strong internal controls over property tax require the property tax system access be restricted to only allow officials and personnel to access functions necessary for their duties, and the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.

**Condition:** During our audit, we noted that the County Collector has full access to make changes to the property tax system. Also, the County Clerk and County Commission do not review additions and abatements entered into the property tax system by the County Collector.

**Cause:** The County Collector had full access to make changes to the property tax system, and the County Clerk and County Commission do not review additions and abatements entered into the property tax system by the County Collector.

**Effect:** Due to the County Collector's full access to make changes to the property tax system and without a regular review of tax additions and abatements, erroneous or fraudulent changes to the property tax system may occur and not be detected in a timely manner.

**Recommendation:** We recommend the County Collector and County Commission ensure property tax system access is restricted to only allow officials and personnel to access functions necessary for their duties. In addition, we recommend the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.

**Management's Response:** We continue to complete this procedure to ensure all changes are reviewed, balanced and acknowledged on a monthly basis. Effective June 1, 2023, the Collector's Office will have new collector software that will interact directly with the Assessor's software. The Assessor's office will make the changes or add new accounts and the Collector's office will receive updated information in the collector's software to prepare the statement. The Collector's office will not be making any changes to any tax accounts going forward. We will continue our procedure to balance the monthly reports and provide them to the County Clerk to provide to the County Commission

The County of Miller  
Tuscumbia, Missouri  
Schedule of Findings and Responses  
For the year ended December 31, 2021

**2021-04: Negative Fund Balances**

**Criteria:** Reconciliations must be performed to ensure proper cash handling and cash management of funds.

**Condition:** During our audit, we noted Sheriff's Deputy Supplemental Salary Fund and Jail Fund had negative fund balances.

**Cause:** Management is not monitoring cash balances to ensure positive fund balances for all funds.

**Effect:** Not monitoring accurate cash balances can create a negative balance, which could hinder the financial reporting process and cause funds not to be maintained properly.

**Recommendation:** We recommend the County Treasurer and County Clerk work together to maintain positive fund balances within all governmental funds.

**Management's Response:** The Sheriff's Deputy Supplemental Salary Fund revenues come from the State of Missouri for one hundred percent of its funding. The fund is always in the negative because the reimbursements are not received as needed. The 911 Emergency Fund and Jail Fund are both dependent on transfers from Capital Improvement. At the end of every year we continuously amend the budget for larger transfers to bring the funds out of the negative but fall short. We will transfer larger amounts in the future.

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COST**

There were no federal awards findings as of December 31, 2021 and 2020.

The County of Miller  
Tuscumbia, Missouri  
Status of Prior Year Audit Findings  
For the year ended December 31, 2021

**2020-001: Annual Budget Findings**

**Criteria:** Missouri statutes require Counties to prepare an annual budget as applicable to each fund. Expenditures are not to exceed the budget and funds are not to be budgeted at a deficit. Additionally, expenditures are not to exceed available funds, resulting in a deficit fund balance available.

**Condition:** During the audit, it was noted the County was not in compliance with Missouri budgetary statute RSMo. Chapter 50. The following funds had actual expenditures which exceeded the budgeted expenditures in 2020: General Revenue, Special Road and Bridge, 911 Emergency, Election Services, Emergency Management, FEMA Disaster Money, Lake Ja-Ha Neighborhood Improvement District, Prosecuting Attorney's Training, Shelter for Victims of Domestic Violence, and TIF #2 Prewitt's Point. We also noted the following funds had expenditures that exceeded available funds, resulting in a deficit fund balance available for 2020: 911 Emergency, Emergency Management, and Jail.

**Cause:** Oversight.

**Effect:** The County is in violation of Missouri Revised Statutes due to exceeding budgets in certain funds, failing to prepare budgets in certain funds, budgeting certain funds with a deficit balance, and expending funds in excess of funds available in certain funds.

**Recommendation:** We recommend that the County adopt a budget for all funds and periodically review its actual expenditures. as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes.

**Management's Response:** The County Clerk will perform a detailed review of budgetary schedules and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369-1910.

**Auditors' Evaluation:** Unresolved as of December 31, 2021, repeated on findings 2021-01

**2020-002: Internal Controls over Payroll Expense**

**Criteria:** Strong internal controls over payroll expense require that there be a formal process over the approval of payroll processing and disbursement of payroll expense. In addition, accurate payroll processing should include payroll processing after receiving signed time sheets or cards in a timely manner to process payroll.

**Condition:** During our audit, we noted payroll processing was being prepared prior to receiving properly signed time sheets or cards from all departments prior to the disbursement of cash related to payroll expense.

**Cause:** The County has not developed and implemented formal controls over payroll processing and disbursement of payroll expense.

The County of Miller  
Tuscumbia, Missouri  
Status of Prior Year Audit Findings  
For the year ended December 31, 2021

**Effect:** Without a formal approval process over payroll processing and disbursement of payroll expense, improper cash disbursements related to payroll could be processed and disbursed either due to error or fraud.

**Recommendation:** We recommend the County develop and adopt formal policies and procedures that require time sheets or cards be received in a timely manner prior to the processing and disbursement of cash related to payroll expense. These policies and procedures would include receiving time sheets or cards that are signed by the employee as well as being signed by the supervisor prior to the disbursement of payroll checks.

**Management's Response:** During the process of the audit, the County Clerk has worked to develop and implement a process to ensure payroll processing and disbursement of payroll checks only occurs after receiving properly and timely prepared and signed time sheets or cards. This process will include delaying payroll for one week in order to receive properly and timely prepared and signed time sheets or cards prior to processing payroll disbursements. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369-1910.

**Auditors' Evaluation:** Resolved as of December 31, 2021.

### **2020-003: Annual Settlement Preparation by County Collector**

**Criteria:** Sections 139.160 and 139.190, RSMo, require County Collectors to file an annual settlement with the County Commission. This annual settlement accounts for all monies received from taxes and other sources. After approval, the annual settlement is required to be filed with the State Department of Revenue (DOR).

**Condition:** During our audit, we noted the County Collector has not prepared an annual settlement for the tax years ended February 29, 2016 through February 29, 2021.

**Cause:** The County Collector had not prepared annual settlements of property taxes for the years noted.

**Effect:** Due to County Collector not preparing these annual settlements, the County Clerk cannot ensure taxes charged and credited to the County Collector each year are accounted for properly, and the County Clerk and County Commission cannot verify the County Collector's accounts. Section 139.190 RSMo, requires the County Commission to carefully and fully examine the annual settlement of the County Collector and the County Clerk to certify the amounts to the State. These procedures are intended to establish checks and balances related to the collection of property taxes.

**Recommendation:** We recommend the County Collector prepare and file the outstanding annual settlements as required by State Law. In addition, if the County Collector needs assistance in the preparation of these outstanding annual settlements, the County Collector should hire outside accounting services.

The County of Miller  
Tuscumbia, Missouri  
Status of Prior Year Audit Findings  
For the year ended December 31, 2021

**Management's Response:** The County Collector will work to prepare the outstanding annual settlements. The expected completion date is December 31, 2021. The County Collector's office phone number is (573) 369-1925.

**Auditors' Evaluation:** Resolved as of December 31, 2021.

**2020-004: Bank Reconciliations Performed for All Bank Accounts**

**Criteria:** Bank reconciliations must be performed to ensure all transactions are being recorded and cash is being properly reported.

**Condition:** During our audit, we noted that there were no bank reconciliations being prepared for the Collector's Tax Maintenance Fund.

**Cause:** The County Collector had not prepared a bank reconciliation for the Collector's Tax Maintenance Fund.

**Effect:** Not preparing a bank reconciliation could lead to the improper reporting of revenue, expense, and cash balance of the fund.

**Recommendation:** We recommend the County Collector prepare the bank reconciliations for the audit period and start preparing a bank reconciliation for the Collector's Tax Maintenance Fund on a monthly and timely basis.

**Management's Response:** The County Collector will work to prepare the outstanding monthly bank reconciliations for the audit period and will start to prepare the bank reconciliation for the Collector's Tax Maintenance Fund on a monthly and timely basis. The expected completion date is December 31, 2021. The County Collector's office phone number is (573) 369-1925.

**Auditors' Evaluation:** Resolved as of December 31, 2021.

**2020-005: Internal Controls over Property Tax System**

**Criteria:** Strong internal controls over property tax require the property tax system access be restricted to only allow officials and personnel to access functions necessary for their duties, and the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.

**Condition:** During our audit, we noted that the County Collector has full access to make changes to the property tax system. Also, the County Clerk and County Commission do not review additions and abatements entered into the property tax system by the County Collector.

The County of Miller  
Tuscumbia, Missouri  
Status of Prior Year Audit Findings  
For the year ended December 31, 2021

**Cause:** The County Collector had full access to make changes to the property tax system, and the County Clerk and County Commission do not review additions and abatements entered into the property tax system by the County Collector.

**Effect:** Due to the County Collector's full access to make changes to the property tax system and without a regular review of tax additions and abatements, erroneous or fraudulent changes to the property tax system may occur and not be detected in a timely manner.

**Recommendation:** We recommend the County Collector and County Commission ensure property tax system access is restricted to only allow officials and personnel to access functions necessary for their duties. In addition, we recommend the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.

**Management's Response:** The County will develop and implement a process in writing to review additions and abatements entered into the property tax system by the County Collector. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369-1910.

**Auditors' Evaluation:** Unresolved as of December 31, 2021, repeated finding as 2021-03.

**2020-006: Negative Fund Balances**

**Criteria:** Reconciliations must be performed to ensure proper cash handling and cash management of funds.

**Condition:** During our audit, we noted several funds that had negative fund balances.

**Cause:** Management is not monitoring cash balances to ensure the positive fund balances for all funds.

**Effect:** Not monitoring accurate cash balances can create a negative balance, which could hinder the financial reporting process and cause funds not to be maintained properly.

**Recommendation:** We recommend the County Treasurer and County Clerk work together to maintain positive fund balances within all governmental funds.

**Management's Response:** The Treasurer and County Clerk will work to maintain positive fund balances in the future by monitoring fund balances. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369-1910. The County Treasurer's (Phil Lawson) office phone number is (573) 369-1920.

**Auditors' Evaluation:** Unresolved as of December 31, 2021, repeated finding as 2021-04.

The County of Miller  
Tuscumbia, Missouri  
Status of Prior Year Audit Findings  
For the year ended December 31, 2021

**2020-007: Federal Expenditures in SEFA Contained Errors**

Federal Grantor: All Programs  
Pass-Through Grantor: All Programs  
Federal CFDA Number: All Programs  
Program Title: All Programs

**Criteria:** Title 2 U.S. Code of Federal Regulations (CFR) Part 200 requires auditees to prepare an accurate Schedule of Expenditures of Federal Awards (SEFA) containing awards expended. CFDA title and number, award number, name of the Federal agency, and name of pass-through entity.

**Condition:** During our audit, we noted that the Schedule of Expenditures of Federal Awards (SEFA) contained errors.

**Cause:** Management did not follow reporting requirements related to the Schedule of Expenditures of Federal Awards.

**Effect:** Federal expenditures reported in the SEFA were incorrect.

**Recommendation:** We recommend management develop internal controls over reporting and consult with outside accountants, if possible, to ensure an accurate SEFA is prepared.

**Management's Response:** The County Clerk is working towards capturing all grant transactions in a manner sufficient to report the necessary information required on the SEFA by the next audit period. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369- 1910.

**Auditors' Evaluation:** Resolved as of December 31, 2021.





**MILLER COUNTY COLLECTOR OF REVENUE  
JODY VANCE, COLLECTOR  
PO BOX 217 2001 HWY 52  
TUSCUMBIA, MO 65082  
573-369-1925 (phone) 573-369-1885 (fax)**

May 31, 2023

To Whom It May Concern:

Below you will find the response to the Miller County Year Ending December 31, 2021 Schedule of Findings and Responses in reference to 2021-03: Internal Controls over Property Tax System.

This concern is the same as the Missouri State Audit dated August 2022. Our office prepared this response to that concern. We continue to complete this procedure to ensure all changes are reviewed, balanced and acknowledged on a monthly basis.

With no current approval process in effect between the Assessor, Clerk, Commission to Collector, to complete any Assessor changes before issuing them to the Collector's office, the Collector's office currently, on a monthly basis, obtains from the Assessor's Office a comprehensive Monthly Court Order (Add-On and Abatement) List Report. The Collector's Office prints Add-On and Abatement Reports to reconcile all Court Orders received by the Assessor's Office during the same time period. Then the Collector's office reconciles the Assessor's reports, court orders to that of Collector's reports. If there are any discrepancies, the Collector's Office notifies the Assessor's Office for corrections.

This reconciliation report is provided to the County Clerk, along with all supporting documentation. The County Clerk is to provide this information to the County Commission and the process will be acknowledged on the County Commission's agenda.

Effective June 1, 2023, the Collector's Office will have new collector software that will interact directly with the Assessor's software. The Assessor's office will make the changes or add new accounts and the Collector's office will receive updated information in the collector's software to prepare the statement. The Collector's office will not be making any changes to any tax accounts going forward. We will continue our procedure to balance the monthly reports and provide them to the County Clerk to provide to the County Commission.

Please contact me if you have any questions.

Sincerely,

*Jody Vance*

Miller County Collector



**CLINTON A. JENKINS, COUNTY CLERK**  
**MILLER COUNTY, MISSOURI**  
P.O. BOX 12 TUSCUMBIA MO 65082  
clinton.jenkins@millercountymo.org  
(573)369-1911

## **2021-01: Budgetary Policies Noncompliance-continued**

### **Management Response:**

1. Miller County Payroll Fund and the Law Enforcement Sales Tax Fund were not created until late 2021.
2. All funds that had disbursements that exceeded budgeted amounts occurred unforeseen expenditures in 2021.
3. 911 Emergency Fund had end of year payroll taxes after the last fund transfer that put them in the negative.

### **Significant Deficiencies**

#### **2021-02: Unrecorded Certificate of Deposit Transactions**

**Condition:** We noted during our audit that the certificate of deposit redemption and reinvestment were not completely and timely recorded.

**Criteria:** Under Missouri law, Counties are required to provide supporting documents, such as certificates of deposit, for all outstanding balances of deposits. Failure to provide these documents may violate Missouri Revised Statutes Section 110.020, which requires that all county officers keep accurate records and accounts of all funds and securities received and disbursed on behalf of the county.

**Cause:** This condition was caused by a lack of internal control policy in place over investment transactions.

**Effect:** It is difficult to verify the accuracy of the county's financial records and ensure that funds are being properly managed and accounted for. Thus, it may lead to reporting inaccuracies in the financial statements and notes to the financial statements.

**Recommendation:** We recommend that the County implement proper investment management practices and ensure that it has proper investment management practices in place to prevent future issues with missing documentation. This may involve implementing better record-keeping procedures and training staff on proper investment management practices.



**CLINTON A. JENKINS, COUNTY CLERK**  
**MILLER COUNTY, MISSOURI**  
P.O. BOX 12 TUSCUMBIA MO 65082  
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(573)369-1911

**Management Response:** The untimely recording of the certificate of deposit was due to the late notification of the receipt. One of the Certificate of Deposits from the bank didn't come with a receipt or slip, to notify the County in December and it was entered in January.



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### **2021-03: Internal Controls over Property Tax System**

**Criteria:** Strong internal controls over property tax require the property tax system access be restricted to only allow officials and personnel to access functions necessary for their duties, and the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.

**Condition:** During our audit, we noted that the County Collector has full access to make changes to the property tax system. Also, the County Clerk and County Commission do not review additions and abatements entered into the property tax system by the County Collector.

**Cause:** The County Collector had full access to make changes to the property tax system, and the County Clerk and County Commission do not review additions and abatements entered into the property tax system by the County Collector.

**Effect:** Due to the County Collector's full access to make changes to the property tax system and without a regular review of tax additions and abatements, erroneous or fraudulent changes to the property tax system may occur and not be detected in a timely manner.

**Recommendation:** We recommend the County Collector and County Commission ensure property tax system access is restricted to only allow officials and personnel to access functions necessary for their duties. In addition, we recommend the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.

**Management's Response:** We continue to complete this procedure to ensure all changes are reviewed, balanced and acknowledged on a monthly basis. Effective June 1, 2023, the Collector's Office will have new collector software that will interact directly with the Assessor's software. The Assessor's office will make the changes or add new accounts and the Collector's office will receive updated information in the collector's software to prepare the statement. The Collector's office will not be making any changes to any tax accounts going forward. We will continue our procedure to balance the monthly reports and provide them to the County Clerk to provide to the County Commission



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(573)369-1911

#### **2021-04: Negative Fund Balances**

**Criteria:** Reconciliations must be performed to ensure proper cash handling and cash management of funds.

**Condition:** During our audit, we noted Sheriff's Deputy Supplemental Salary Fund and Jail Fund had negative fund balances.

**Cause:** Management is not monitoring cash balances to ensure positive fund balances for all funds.

**Effect:** Not monitoring accurate cash balances can create a negative balance, which could hinder the financial reporting process and cause funds not to be maintained properly.

**Recommendation:** We recommend the County Treasurer and County Clerk work together to maintain positive fund balances within all governmental funds.

**Management's Response:** The Sheriff's Deputy Supplemental Salary Fund revenues come from the State of Missouri for one hundred percent of its funding. The fund is always in the negative because the reimbursements are not received as needed. The 911 Emergency Fund and Jail Fund are both dependent on transfers from Capital Improvement. At the end of every year we continuously amend the budget for larger transfers to bring the funds out of the negative but fall short. We will transfer larger amounts in the future.

### **III. FEDERAL AWARD FINDINGS AND QUESTIONED COST**

There were no federal awards findings as of December 31, 2021 and 2020



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## **2020-001: Annual Budget Findings**

**Criteria:** Missouri statutes requires Counties to prepare an annual budget as applicable to each fund. Expenditures are not to exceed the budget and funds are not to be budgeted at a deficit. Additionally, expenditures are not to exceed available funds, resulting in a deficit fund balance available.

**Condition:** During the audit, it was noted the County was not in compliance with Missouri budgetary statute RSMo. Chapter 50. The following funds had actual expenditures which exceeded the budgeted expenditures in 2020: General Revenue, Special Road and Bridge, 911 Emergency, Election Services, Emergency Management, FEMA Disaster Money, Lake Ja-Ha Neighborhood Improvement District, Prosecuting Attorney's Training, Shelter for Victims of Domestic Violence, and TIF #2 Prewitt's Point. We also noted the following funds had expenditures that exceeded available funds, resulting in a deficit fund balance available for 2020: 911 Emergency, Emergency Management, and Jail.

**Cause:** Oversight.

**Effect:** The County is in violation of Missouri Revised Statutes due to exceeding budgets in certain funds, failing to prepare budgets in certain funds, budgeting certain funds with a deficit balance, and expending funds in excess of funds available in certain funds.

**Recommendation:** We recommend that the County adopt a budget for all funds and periodically review its actual expenditures. as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes.

**Management's Response:** The County Clerk will perform a detailed review of budgetary schedules and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369-1910.

**Auditors' Evaluation:** Unresolved as of December 31, 2021, repeated on

findings 2021-01



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## **2020-002: Internal Controls over Payroll Expense**

**Criteria:** Strong internal controls over payroll expense require that there be a formal process over the approval of payroll processing and disbursement of payroll expense. In addition, accurate payroll processing should include payroll processing after receiving signed time sheets or cards in a timely manner to process payroll.

**Condition:** During our audit, we noted payroll processing was being prepared prior to receiving properly signed time sheets or cards from all departments prior to the disbursement of cash related to payroll expense. Cause: The County has not developed and implemented formal controls over payroll processing and disbursement of payroll expense.

**Effect:** Without a formal approval process over payroll processing and disbursement of payroll expense, improper cash disbursements related to payroll could be processed and disbursed either due to error or fraud.

**Recommendation:** We recommend the County develop and adopt formal policies and procedures that require time sheets or cards be received in a timely manner prior to the processing and disbursement of cash related to payroll expense. These policies and procedures would include receiving time sheets or cards that are signed by the employee as well as being signed by the supervisor prior to the disbursement of payroll checks.

**Management's Response:** During the process of the audit, the County Clerk has worked to develop and implement a process to ensure payroll processing and disbursement of payroll checks only occurs after receiving properly and timely prepared and signed time sheets or cards. This process will include delaying payroll for one week in order to receive properly and timely prepared and signed time sheets or cards prior to processing payroll disbursements. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369-1910.

**Auditors' Evaluation:** Resolved as of December 31, 2021.



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### **2020-003: Annual Settlement Preparation by County Collector**

**Criteria:** Sections 139.160 and 139.190, RSMo, require County Collectors to file an annual settlement with the County Commission. This annual settlement accounts for all monies received from taxes and other sources. After approval, the annual settlement is required to be filed with the State Department of Revenue (DOR).

**Condition:** During our audit, we noted the County Collector has not prepared an annual settlement for the tax years ended February 29, 2016 through February 29, 2021.

**Cause:** The County Collector had not prepared annual settlements of property taxes for the years noted.

**Effect:** Due to County Collector not preparing these annual settlements, the County Clerk cannot ensure taxes charged and credited to the County Collector each year are accounted for properly, and the County Clerk and County Commission cannot verify the County Collector's accounts. Section 139.190 RSMo, requires the County Commission to carefully and fully examine the annual settlement of the County Collector and the County Clerk to certify the amounts to the State. These procedures are intended to establish checks and balances related to the collection of property taxes.

**Recommendation:** We recommend the County Collector prepare and file the outstanding annual settlements as required by State Law. In addition, if the County Collector needs assistance in the preparation of these outstanding annual settlements, the County Collector should hire outside accounting services.

**Management's Response:** The County Collector will work to prepare the outstanding annual settlements.

The expected completion date is December 31, 2021. The County Collector's office phone number is  
(573) 369-1925.

**Auditors' Evaluation:** Resolved as of December 31, 2021.





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#### **2020-004: Bank Reconciliations Performed for All Bank Accounts**

**Criteria:** Bank reconciliations must be performed to ensure all transactions are being recorded and cash is being properly reported.

**Condition:** During our audit, we noted that there were no bank reconciliations being prepared for the Collector's Tax Maintenance Fund.

**Cause:** The County Collector had not prepared a bank reconciliation for the Collector's Tax Maintenance Fund.

**Effect:** Not preparing a bank reconciliation could lead to the improper reporting of revenue, expense, and cash balance of the fund.

**Recommendation:** We recommend the County Collector prepare the bank reconciliations for the audit period and start preparing a bank reconciliation for the Collector's Tax Maintenance Fund on a monthly and timely basis.

**Management's Response:** The County Collector will work to prepare the outstanding monthly bank reconciliations for the audit period and will start to prepare the bank reconciliation for the Collector's Tax Maintenance Fund on a monthly and timely basis. The expected completion date is December 31, 2021. The County Collector's office phone number is (573) 369-1925.

**Auditors' Evaluation:** Resolved as of December 31, 2021.



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## **2020-005: Internal Controls over Property Tax System**

**Criteria:** Strong internal controls over property tax require the property tax system access be restricted to only allow officials and personnel to access functions necessary for their duties, and the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.

**Condition:** During our audit, we noted that the County Collector has full access to make changes to the property tax system. Also, the County Clerk and County Commission do not review additions and abatements entered into the property tax system by the County Collector.

**Cause:** The County Collector had full access to make changes to the property tax system, and the County Clerk and County Commission do not review additions and abatements entered into the property tax system by the County Collector.

**Effect:** Due to the County Collector's full access to make changes to the property tax system and without a regular review of tax additions and abatements, erroneous or fraudulent changes to the property tax system may occur and not be detected in a timely manner.

**Recommendation:** We recommend the County Collector and County Commission ensure property tax system access is restricted to only allow officials and personnel to access functions necessary for their duties. In addition, we recommend the County Clerk and County Commission review additions and abatements entered into the property tax system by the County Collector.

**Management's Response:** The County will develop and implement a process in writing to review additions and abatements entered into the property tax system by the County Collector. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369-1910.

**Auditors' Evaluation:** Unresolved as of December 31, 2021, repeated finding as 2021-03.



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## **2020-006: Negative Fund Balances**

**Criteria:** Reconciliations must be performed to ensure proper cash handling and cash management of funds.

**Condition:** During our audit, we noted several funds that had negative fund balances.

**Cause:** Management is not monitoring cash balances to ensure the positive fund balances for all funds.

**Effect:** Not monitoring accurate cash balances can create a negative balance, which could hinder the financial reporting process and cause funds not to be maintained properly.

**Recommendation:** We recommend the County Treasurer and County Clerk work together to maintain positive fund balances within all governmental funds.

**Management's Response:** The Treasurer and County Clerk will work to maintain positive fund balances in the future by monitoring fund balances. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369-1910. The County Treasurer's (Phil Lawson) office phone number is (573) 369-1920.

**Auditors' Evaluation:** Unresolved as of December 31, 2021, repeated finding as 2021-04.



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## **2020-007: Federal Expenditures in SEFA Contained Errors**

Federal Grantor: All Programs  
Pass-Through Grantor: All Programs  
Federal CFDA Number: All Programs  
Program Title: All Programs

**Criteria:** Title 2 U.S. Code of Federal Regulations (CFR) Part 200 requires auditees to prepare an accurate Schedule of Expenditures of Federal Awards (SEFA) containing awards expended. CFDA title and number, award number, name of the Federal agency, and name of pass-through entity.

**Condition:** During our audit, we noted that the Schedule of Expenditures of Federal Awards (SEFA) contained errors.

**Cause:** Management did not follow reporting requirements related to the Schedule of Expenditures of Federal Awards.

**Effect:** Federal expenditures reported in the SEFA were incorrect.

**Recommendation:** We recommend management develop internal controls over reporting and consult with outside accountants, if possible, to ensure an accurate SEFA is prepared.

**Management's Response:** The County Clerk is working towards capturing all grant transactions in a manner sufficient to report the necessary information required on the SEFA by the next audit period. The expected completion date is December 31, 2021. The County Clerk's (Clinton Jenkins) office phone number is (573) 369- 1910.

**Auditors' Evaluation:** Resolved as of December 31, 2021.



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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Douglas County, Missouri

The Office of the State Auditor contracted for an audit of Douglas County's financial statements for the year ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized with a large "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

September 2023  
Report No. 2023-064



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

### Recommendations in the contracted audit of Douglas County

#### Sheriff Stale Checks

The Sheriff resolve the stale dated checks, turn over any funds required to go to unclaimed property, and remove the items from the list of outstanding checks on the bank reconciliation.

ANNUAL FINANCIAL REPORT

**DOUGLAS COUNTY, MISSOURI**

For the Year Ended  
December 31, 2022

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY



DOUGLAS COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

DOUGLAS COUNTY, MISSOURI  
List of Elected Officials 2022

*County Commission*

Presiding Commissioner – Lance Stillings

Commissioner, District 1 – Travis Cheyney

Commissioner, District 2 – Bradley Loveless

*Other Elected Officials*

Assessor – Alicia Degase

Circuit Clerk – Kim Hathcock

Collector – Laura Stillings

County Clerk – Karry Davis

Prosecuting Attorney – Christopher Wade

Public Administrator – Shelia Miller

Recorder – Jacinda Sheppard

Sheriff – Chris Degase

Treasurer – Theresa Miller

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Douglas County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Douglas County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Douglas County, Missouri, as of December 31, 2022, and their respective cash receipts and disbursements, and budgetary results for the year then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Douglas County, Missouri, as of December 31, 2022, or the changes in financial position thereof for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Douglas County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Douglas County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Douglas County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Douglas County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 7, 2023, on our consideration of Douglas County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Douglas County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed By McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 7, 2023

DOUGLAS COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
- ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

Fund	Cash and Cash Equivalents January 1	Receipts	Disbursements	Cash and Cash Equivalents December 31
General Revenue	\$ 857,921	\$ 2,366,552	\$ 1,971,308	\$ 1,253,165
Special Road & Bridge	519,814	1,490,614	1,407,778	602,650
Assessment	25,976	171,626	171,816	25,786
Sheriff's Training	2,953	1,873	3,058	1,768
Sheriff's Civil Service Fee	3,766	4,120	3,100	4,786
Law Enforcement	42,325	37,477	48,328	31,474
Sheriff's Revolving (CCW)	30,269	10,517	6,085	34,701
Inmate Security	77,561	124,156	116,201	85,516
Prosecuting Attorney Training	1,581	1,492	1,311	1,762
Prosecuting Attorney Bad Check	12,990	5,457	3,726	14,721
Prosecuting Attorney Delinquent Tax	199	2	-	201
Election Services	17,194	3,518	5,342	15,370
Tax Maintenance	29,995	14,336	16,685	27,646
Recorder User	12,732	11,365	4,285	19,812
Victims of Domestic Violence	370	1,026	1,000	396
Election Improvement	14,075	3,000	-	17,075
Emergency Management	5,776	15,969	17,996	3,749
Local Emergency Planning Commission	2,110	-	100	2,010
Addressing Location Project	8,727	5,550	4,800	9,477
Law Enforcement Sales Tax	303,596	1,633,493	1,679,584	257,505
Special Election	-	36,368	36,368	-
Road Sales Tax	120,244	665,334	542,374	243,204
Missouri 911 Trust	40,579	35,177	39,270	36,486
American Rescue Plan Act	175,972	1,452,842	531,412	1,097,402
CDBG Grant	-	10,082	10,082	-
Senate Bill 40 Board	97,220	140,671	133,230	104,661
Total	\$ 2,403,945	\$ 8,242,617	\$ 6,755,239	\$ 3,891,323

The accompanying Notes to the Financial Statements are an integral part of this statement.



DOUGLAS COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

		GENERAL REVENUE FUND	
		<u>Budget</u>	<u>Actual</u>
RECEIPTS			
Property taxes	\$	165,000	\$ 169,779
Sales taxes		1,250,000	1,327,772
Intergovernmental		220,409	295,231
Charges for services		210,500	241,589
Interest		3,500	12,714
Other		270,974	270,751
Transfers in		21,007	48,716
Total Receipts	\$	<u>2,141,390</u>	<u>\$ 2,366,552</u>
DISBURSEMENTS			
County Commission	\$	85,980	\$ 86,662
County Clerk		76,490	76,191
Elections		117,700	95,179
Buildings and grounds		204,740	200,208
Employee fringe benefits		237,988	217,279
Treasurer		47,500	44,773
Collector		106,600	104,487
Recorder of Deeds		49,300	48,390
Circuit Clerk		14,770	11,939
Court Administration		31,800	36,924
Public Administrator		48,825	48,776
Prosecuting Attorney		169,514	170,275
Juvenile Officer		38,907	32,804
Coroner		14,790	15,150
Other County government		211,807	192,243
Transfers out		591,500	590,028
Emergency fund		64,242	-
Total Disbursements	\$	<u>2,112,453</u>	<u>\$ 1,971,308</u>
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	\$	28,937	\$ 395,244
CASH AND CASH EQUIVALENTS, JANUARY 1		<u>857,921</u>	<u>857,921</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$	<u>886,858</u>	<u>\$ 1,253,165</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SPECIAL ROAD & BRIDGE FUND		ASSESSMENT FUND		SHERIFF'S TRAINING FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ 385,000	\$ 370,567	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	963,354	1,061,661	36,868	38,623	900	666
Charges for services	1,825	5,186	100,400	100,093	1,300	1,188
Interest	2,600	5,081	300	262	20	19
Other	1,030	38,034	-	148	-	-
Transfers in	-	10,085	32,500	32,500	-	-
Total Receipts	<u>\$ 1,353,809</u>	<u>\$ 1,490,614</u>	<u>\$ 170,068</u>	<u>\$ 171,626</u>	<u>\$ 2,220</u>	<u>\$ 1,873</u>
DISBURSEMENTS						
Salaries	\$ 607,597	\$ 548,837	\$ 102,360	\$ 102,280	\$ -	\$ -
Employee fringe benefits	267,770	230,930	16,000	17,637	-	-
Materials and supplies	37,900	61,434	33,000	24,382	-	-
Services and other	258,150	386,863	44,335	27,517	3,066	3,058
Capital outlay	290,000	174,214	-	-	-	-
Construction	10,000	5,500	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,471,417</u>	<u>\$ 1,407,778</u>	<u>\$ 195,695</u>	<u>\$ 171,816</u>	<u>\$ 3,066</u>	<u>\$ 3,058</u>
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (117,608)	\$ 82,836	\$ (25,627)	\$ (190)	\$ (846)	\$ (1,185)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>519,814</u>	<u>519,814</u>	<u>25,976</u>	<u>25,976</u>	<u>2,953</u>	<u>2,953</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 402,206</u>	<u>\$ 602,650</u>	<u>\$ 349</u>	<u>\$ 25,786</u>	<u>\$ 2,107</u>	<u>\$ 1,768</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SHERIFF'S CIVIL SERVICE FEE FUND		LAW ENFORCEMENT FUND		SHERIFF'S REVOLVING (CCW) FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	2,830	4,007	40,000	36,884	13,000	10,190
Interest	35	42	200	593	153	327
Other	-	71	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 2,865	\$ 4,120	\$ 40,200	\$ 37,477	\$ 13,153	\$ 10,517
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	2,000	1,902	-	-	-	-
Services and other	2,400	1,198	11,000	3,845	10,000	6,085
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	40,007	44,483	-	-
Total Disbursements	\$ 4,400	\$ 3,100	\$ 51,007	\$ 48,328	\$ 10,000	\$ 6,085
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (1,535)	\$ 1,020	\$ (10,807)	\$ (10,851)	\$ 3,153	\$ 4,432
CASH AND CASH EQUIVALENTS, JANUARY 1	3,766	3,766	42,325	42,325	30,269	30,269
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 2,231	\$ 4,786	\$ 31,518	\$ 31,474	\$ 33,422	\$ 34,701

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	INMATE SECURITY FUND		PROSECUTING ATTORNEY TRAINING FUND		PROSECUTING ATTORNEY BAD CHECK FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	5,325	-	-	-	-
Charges for services	118,475	117,735	1,400	1,477	4,150	5,320
Interest	350	1,096	7	15	50	137
Other	900	-	100	-	25	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 119,725	\$ 124,156	\$ 1,507	\$ 1,492	\$ 4,225	\$ 5,457
<b>DISBURSEMENTS</b>						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	20,500	18,254	-	-	800	711
Services and other	38,000	37,135	1,900	1,311	3,075	3,015
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	60,812	60,812	-	-	-	-
Total Disbursements	\$ 119,312	\$ 116,201	\$ 1,900	\$ 1,311	\$ 3,875	\$ 3,726
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	\$ 413	\$ 7,955	\$ (393)	\$ 181	\$ 350	\$ 1,731
CASH AND CASH EQUIVALENTS, JANUARY 1	77,561	77,561	1,581	1,581	12,990	12,990
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 77,974	\$ 85,516	\$ 1,188	\$ 1,762	\$ 13,340	\$ 14,721

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	PROSECUTING ATTORNEY DELINQUENT TAX FUND		ELECTION SERVICES FUND		TAX MAINTENANCE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	850	640	-	-
Charges for services	-	-	650	1,646	16,000	14,022
Interest	2	2	100	145	150	314
Other	-	-	-	59	-	-
Transfers in	-	-	2,500	1,028	-	-
Total Receipts	\$ 2	\$ 2	\$ 4,100	\$ 3,518	\$ 16,150	\$ 14,336
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	7,500	3,137	8,000	6,631
Services and other	-	-	1,600	2,205	2,450	3,484
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ 9,100	\$ 5,342	\$ 18,450	\$ 16,685
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 2	\$ 2	\$ (5,000)	\$ (1,824)	\$ (2,300)	\$ (2,349)
CASH AND CASH EQUIVALENTS, JANUARY 1	199	199	17,194	17,194	29,995	29,995
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 201	\$ 201	\$ 12,194	\$ 15,370	\$ 27,695	\$ 27,646

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	RECORDER USER FUND		VICTIMS OF DOMESTIC VIOLENCE FUND		ELECTION IMPROVEMENT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	-	\$ -	-
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	9,800	11,181	960	1,022	3,000	3,000
Interest	40	184	2	4	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 9,840	\$ 11,365	\$ 962	\$ 1,026	\$ 3,000	\$ 3,000
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	-	\$ -	-
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	3,000	813	-	-	-	-
Services and other	3,600	481	1,000	1,000	6,000	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	3,000	2,991	-	-	-	-
Total Disbursements	\$ 9,600	\$ 4,285	\$ 1,000	\$ 1,000	\$ 6,000	\$ -
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ 240	\$ 7,080	\$ (38)	\$ 26	\$ (3,000)	\$ 3,000
CASH AND CASH EQUIVALENTS, JANUARY 1	12,732	12,732	370	370	14,075	14,075
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 12,972	\$ 19,812	\$ 332	\$ 396	\$ 11,075	\$ 17,075

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	EMERGENCY MANAGEMENT FUND		LOCAL EMERGENCY PLANNING COMMISSION FUND		ADDRESSING LOCATION PROJECT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	6,800	6,098	-	-	-	-
Charges for services	-	-	-	-	5,400	5,550
Interest	-	-	-	-	-	-
Other	3,271	3,371	-	-	-	-
Transfers in	6,500	6,500	-	-	-	-
Total Receipts	\$ 16,571	\$ 15,969	\$ -	\$ -	\$ 5,400	\$ 5,550
DISBURSEMENTS						
Salaries	\$ 9,600	\$ -	\$ 1,200	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	2,200	2,143	-	-	-	-
Services and other	6,400	15,853	700	100	4,800	4,800
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 18,200	\$ 17,996	\$ 1,900	\$ 100	\$ 4,800	\$ 4,800
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (1,629)	\$ (2,027)	\$ (1,900)	\$ (100)	\$ 600	\$ 750
CASH AND CASH EQUIVALENTS, JANUARY 1	5,776	5,776	2,110	2,110	8,727	8,727
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 4,147	\$ 3,749	\$ 210	\$ 2,010	\$ 9,327	\$ 9,477

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	LAW ENFORCEMENT		SPECIAL ELECTION FUND		ROAD SALES TAX FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	660,000	663,617	-	-	620,000	663,260
Intergovernmental	165,974	166,209	46,400	36,368	-	-
Charges for services	94,822	111,179	-	-	-	-
Interest	3,000	2,571	-	-	500	2,074
Other	39,157	39,158	-	-	-	-
Transfers in	646,283	650,759	-	-	-	-
Total Receipts	\$ 1,609,236	\$ 1,633,493	\$ 46,400	\$ 36,368	\$ 620,500	\$ 665,334
<b>DISBURSEMENTS</b>						
Salaries	\$ 697,895	\$ 701,384	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	209,500	206,176	-	-	-	-
Materials and supplies	10,150	11,700	5,900	4,507	-	-
Services and other	690,283	687,633	40,500	31,861	-	-
Capital outlay	73,000	72,586	-	-	-	-
Construction	-	-	-	-	680,000	542,374
Transfers out	-	105	-	-	-	-
Total Disbursements	\$ 1,680,828	\$ 1,679,584	\$ 46,400	\$ 36,368	\$ 680,000	\$ 542,374
<b>RECEIPTS OVER (UNDER)</b>						
DISBURSEMENTS	\$ (71,592)	\$ (46,091)	\$ -	\$ -	\$ (59,500)	\$ 122,960
CASH AND CASH EQUIVALENTS, JANUARY 1	303,596	303,596	-	-	120,244	120,244
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 232,004	\$ 257,505	\$ -	\$ -	\$ 60,744	\$ 243,204

The accompanying Notes to the Financial Statements are an integral part of these statements.



DOUGLAS COUNTY, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	MISSOURI 911 TRUST FUND		AMERICAN RESCUE PLAN ACT FUND		CDBG GRANT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	39,340	34,821	1,445,782	1,445,782	10,082	10,082
Charges for services	-	-	-	-	-	-
Interest	100	356	7,000	7,060	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 39,440	\$ 35,177	\$ 1,452,782	\$ 1,452,842	\$ 10,082	\$ 10,082
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	18,402	17,557	-	-	-	-
Services and other	23,086	21,713	1,458,088	486,813	10,082	10,082
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	5,471	44,599	-	-
Total Disbursements	\$ 41,488	\$ 39,270	\$ 1,463,559	\$ 531,412	\$ 10,082	\$ 10,082
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (2,048)	\$ (4,093)	\$ (10,777)	\$ 921,430	\$ -	\$ -
CASH AND CASH EQUIVALENTS, JANUARY 1	40,579	40,579	175,972	175,972	-	-
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 38,531	\$ 36,486	\$ 165,195	\$ 1,097,402	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH  
- BUDGET AND ACTUAL - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SENATE BILL 40 BOARD FUND	
	Budget	Actual
RECEIPTS		
Property taxes	\$ 132,205	\$ 140,555
Sales taxes	-	-
Intergovernmental	-	-
Charges for services	-	-
Interest	100	116
Other	-	-
Transfers in	-	-
Total Receipts	<u>\$ 132,305</u>	<u>\$ 140,671</u>
DISBURSEMENTS		
Salaries	\$ -	\$ -
Employee fringe benefits	-	-
Materials and supplies	-	-
Services and other	165,000	133,230
Capital outlay	-	-
Construction	-	-
Transfers out	-	-
Total Disbursements	<u>\$ 165,000</u>	<u>\$ 133,230</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (32,695)	\$ 7,441
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>97,220</u>	<u>97,220</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 64,525</u>	<u>\$ 104,661</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

DOUGLAS COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

Fund/Account	Cash and Cash Equivalents January 1	Receipts	Disbursements	Cash and Cash Equivalents December 31
	\$	\$	\$	\$
Treasurer Schools	-	5,200,982	5,200,982	-
Treasurer Ava Ambulance	-	5,831	5,831	-
Treasurer Willow Springs Ambulance	-	8,745	8,745	-
Treasurer Library	-	140,553	140,553	-
Treasurer Health Center	-	337,596	337,596	-
Treasurer Sheltered Workshop	-	140,554	140,554	-
Treasurer So. Webster Fire	-	9,647	9,647	-
Treasurer Crime Costs	-	165,997	165,997	-
Treasurer Unclaimed Fees	116	1,499	-	1,615
Treasurer Capital Fines	37,033	57,198	64,987	29,244
Treasurer Over/Under Payment	617	6	-	623
Treasurer Overplus Land Sales	14,607	130	1,481	13,256
Treasurer 44th Judicial Drug Court	153,195	62,488	9,545	206,138
Treasurer Sheriff Deputy Salary Supplemental	-	1,990	1,990	-
Treasurer TT & L Tax	-	442,055	442,055	-
Treasurer CERF	2,002	196,353	196,955	1,400
Collector General	3,550,243	6,708,368	6,577,714	3,680,897
Collector Partial Payment	13,113	24,130	28,779	8,464
Collector Protested Tax	3	707	707	3
County Clerk Fee	-	7,752	7,752	-
Recorder	75	112,363	110,861	1,577
Prosecuting Attorney	1,081	46,064	45,214	1,931
Sheriff Civil	2,285	12,185	11,131	3,339
Sheriff General	1,050	252,901	253,941	10
Sheriff Evidence	39,719	3,661	2,287	41,093
Sheriff Tiger Commissary	13,058	155,567	146,486	22,139
Sheriff Other	4,581	3,550	6,615	1,516
Public Administrator	114,293	525,383	484,087	155,589
Total	\$ 3,947,071	\$ 14,624,255	\$ 14,402,492	\$ 4,168,834

The accompanying Notes to the Financial Statements are an integral part of this statement.

DOUGLAS COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Douglas County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are nine elected Constitutional Officers: Assessor, Circuit Clerk, Collector, County Clerk, Prosecuting Attorney, Public Administrator, Recorder, Sheriff and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Douglas County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk (other than the portion that is funded by the General Revenue Fund) and all funds under their control.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property included within the County's boundaries for the calendar year 2022 for purposes of taxation were:

Real Estate	\$ 122,507,346
Personal Property	50,182,777
Railroad and Utilities	<u>1,957,632</u>
Total	<u>\$ 174,647,755</u>

For calendar year 2022, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

General Revenue	\$ 0.0950
Special Road & Bridge	0.2082
Senate Bill 40 Board	0.0795

F. Cash Deposits and Cash Equivalents

Deposits and cash equivalents are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and cash equivalent balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

## 2. CASH AND CASH EQUIVALENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Cash Equivalents" caption. Cash and cash equivalents include deposits and short-term investments with maturities that are less than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the County had the following cash and cash equivalent balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 3,891,323	\$ 4,239,863	\$ 354,851
Cash and Cash Equivalents - Fiduciary Funds	\$ 4,168,834	\$ 3,392,527	\$ 481,663

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

## 3. COUNTY EMPLOYEES' RETIREMENT PLANS

### A. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

#### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002. During 2022, the County collected and remitted to CERF employee withholdings and fees collected of \$196,955 for the year then ended.

## B. Other Retirement Plan

Douglas County has a voluntary 457(b) plan which is paid by a deduction from employee's salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2022 were \$43,804.

## C. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$10,659 for the year ended December 31, 2022.

## 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.



## 5. CLAIMS, COMMITMENT AND CONTINGENCIES

### A. Compensated Absences

The County provides employees with up to 120 hours (15 days) of paid vacation based upon the number of years of continuous service. Vacation days do not carry forward if they are unused. Upon termination, an employee is reimbursed for any unused vacation days. Employees accrue 4 hours of sick time per month. The County allows employees to carry forward a maximum of 240 hours (30 days). Accumulated sick leave is paid out at 50% upon termination of employment, with a minimum of 5 years of continuous employment.

### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

## 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

## 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2022:

- A. In October 2013, the County entered into a lease purchase agreement to finance the purchase of a 2014 John Deere motor grader at a net cost of \$173,890 after trade-in allowance. The agreement required five annual payments of \$16,900, which included interest at 3.30% until 2018, plus one additional payment of \$115,000 in 2018. The balance due of \$115,360 was refinanced in February 2019 for five years through December 2023, payable in five fixed annual payments of \$26,095 which includes interest payable at 4.25%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 24,855	\$ 1,240	\$ 26,095

- B. In June 2016, the County entered into a lease purchase agreement to finance the purchase of six patrol vehicles for the Sheriff's department at a cost of \$197,087. The agreement required annual payments of \$35,650, which includes interest payable at 2.39% until 2022. A final payment of \$35,137 was made on February 18, 2022, which included a \$10 UCC release fee.
- C. In February 2018, the County entered into a lease purchase agreement to finance the purchase of a 2017 John Deere motor grader at a net cost of \$163,067 after trade-in allowance. The agreement requires five annual payments of \$13,347, which includes interest at 3.75% until 2023, plus one additional payment of \$125,000 in 2023.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 132,890	\$ 5,457	\$ 138,347

- D. In February 2019, the County issued Certificates of Participation (COP's) in the amount of \$5,840,000 for the purpose of constructing and equipping a new sheriff's administration facility and 48-bed jail, and to pay the cost related to execution and delivery of the Series 2019 certificates. Funds from a dedicated sales tax are used to make principal and interest payments. The COP's reach maturity on December 1, 2045 with variable interest rates from 3.25% to 4.375%.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 155,000	\$ 206,894	\$ 361,894
2024	160,000	202,244	362,244
2025	165,000	197,444	362,444
2026	165,000	192,494	357,494
2027	170,000	187,544	357,544
2028-2032	955,000	849,219	1,804,219
2033-2037	1,140,000	657,362	1,797,362
2038-2042	1,395,000	403,163	1,798,163
2043-2045	990,000	87,937	1,077,937
Total	<u>\$5,295,000</u>	<u>\$2,984,301</u>	<u>\$ 8,279,301</u>

- E. In April 2019, the County entered into a lease purchase agreement to finance the purchase of a 2018 John Deere motor grader at a cost of \$239,962. The agreement requires four annual payments of \$39,677, which includes interest payable at 2.40% until 2023, and a final payment of \$120,000 in 2024.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 33,252	\$ 6,425	\$ 39,677
2024	115,016	4,984	120,000
Total	<u>\$ 148,268</u>	<u>\$ 11,409</u>	<u>\$ 159,677</u>

- F. In August 2019, the County entered into a lease purchase agreement to finance the purchase of a 2014 Hitachi Excavator at a cost of \$48,020. The agreement requires four annual payments of \$13,562, which includes interest payable at 4.95% until 2023.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 12,909	\$ 653	\$ 13,562

- G. In June 2020, the County entered into a lease purchase agreement to finance the purchase of a used 2015 Caterpillar motor grader and a 2011 John Deere motor grader at a cost of \$210,820. The agreement requires an initial payment of \$29,100, and five additional annual payments of \$39,960, which includes interest payable at 3.20% until 2025.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 36,307	\$ 3,653	\$ 39,960
2024	37,486	2,474	39,960
2025	38,703	1,257	39,960
Total	<u>\$ 112,496</u>	<u>\$ 7,384</u>	<u>\$ 119,880</u>

- H. In July 2021, the County entered into a lease purchase agreement to finance the purchase of two Dodge Durangos at a cost of \$34,497. An initial payment of \$2,690 was paid in October 2021 which reduced the principal outstanding. The agreement required an initial payment of \$6,288 in 2022, four additional annual payments of \$6,288, which includes interest payable at 2.99% until 2026, and a final payment of \$3,641 in 2027.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 5,485	\$ 803	\$ 6,288
2024	5,651	637	6,288
2025	5,822	466	6,288
2026	5,999	289	6,288
2027	3,534	107	3,641
Total	<u>\$ 26,491</u>	<u>\$ 2,302</u>	<u>\$ 28,793</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
2014 John Deere Motor Grader	\$ 48,840	\$ -	\$ (23,985)	\$ 24,855	\$ 2,110
2016 Sheriff's Patrol Vehicles	34,594	-	(34,594)	-	533
2017 John Deere Motor Grader	140,863	-	(7,973)	132,890	5,374
Series 2019 COPS	5,445,000	-	(150,000)	5,295,000	211,394
2018 John Deere Motor Grader	180,138	-	(31,870)	148,268	7,807
2014 Hitachi Excavator	25,196	-	(12,287)	12,909	1,275
2015 & 2011 Motor Graders	147,661	-	(35,165)	112,496	4,795
2021 Dodge Durangos	31,807	-	(5,316)	26,491	972

## 8. OPERATING LEASES

In February 2021, the County entered into a lease agreement for a used 2021 Caterpillar Hydraulic Excavator. The agreement requires five annual payments of \$17,873 with an option to purchase the equipment for \$50,400 in 2027.

Fiscal Year Ending December 31,	Amount
2023	\$ 17,873
2024	17,873
2025	17,873
2026	17,873

## 9. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 7, 2023, the date the financial statements were available to be issued.

In March 2023, the County entered into a \$235,000 lease-purchase agreement for a 2023 Caterpillar Motor Grader. The lease will be repaid through 5 annual payments of \$42,133 and a final payment of \$87,760.

In April 2023, the County refinanced the 2017 and 2018 John Deere Motor Graders described in Note 7.C and 7.E above by entering into a new lease purchase agreement for \$283,413. The new lease calls for five annual payments of \$40,000 and a final balloon payment due on April 6, 2028.

## **COMPLIANCE SECTION**

## McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the County Commission and  
Officeholders of Douglas County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Douglas County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements, which collectively comprise Douglas County, Missouri's basic financial statements and have issued our report thereon dated August 7, 2023.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Douglas County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Douglas County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Douglas County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Douglas County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed By McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 7, 2023

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Douglas County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Douglas County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Douglas County, Missouri's major federal programs for the year ended December 31, 2022. Douglas County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Douglas County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Douglas County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Douglas County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Douglas County, Missouri's federal programs.



## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Douglas County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Douglas County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Douglas County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Douglas County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Douglas County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed By McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 7, 2023

DOUGLAS COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	Awards Passed-Through to Subrecipients
	U. S. DEPARTMENT OF AGRICULTURE			
	Passed through Missouri Office of Administration - Schools and Roads - Grants to States (Forest Service Schools and Roads Cluster)	n/a	\$ 168,267	\$ 126,200
10.665				
	U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
	Passed through Missouri Department of Economic Development - Community Development Block Grant/State's Program	2020-PF-33	10,082	-
14.228				
	U. S. DEPARTMENT OF THE INTERIOR			
	Payments in Lieu of Taxes	n/a	86,411	-
15.226				
	U. S. DEPARTMENT OF JUSTICE			
	Passed through Lawrence County, Missouri - Domestic Cannabis Eradication and Suppression Program	2022-73	3,511	-
16.U01				
	Passed through Missouri Association of Prosecuting Attorneys - Crime Victim Assistance	MAPADOUGLAS2022	45,863	-
16.575				
	U. S. DEPARTMENT OF TRANSPORTATION			
	Passed through University of Central Missouri - Alcohol Open Container Requirements	SAF162-0099	3,877	-
20.607				
20.616	National Priority Safety Programs (Highway Safety Cluster)	SAF161-0099	2,092	-
	U. S. DEPARTMENT OF THE TREASURY			
	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	n/a	531,412	-
21.027				
	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
	Passed through Missouri Department of Social Services - Child Support Enforcement	ER10220C030	5,195	-
93.563				
	U. S. DEPARTMENT OF HOMELAND SECURITY			
	Passed through Missouri Department of Public Safety - Emergency Management Performance Grants	EMK-2021-EP-0006-038-002	3,698	-
97.042				
	Total Expenditures of Federal Awards		<u>\$ 860,408</u>	<u>\$ 126,200</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**DOUGLAS COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Douglas County, Missouri for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

DOUGLAS COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2022

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported
- Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?      Yes   X   No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

**SECTION II – FINANCIAL STATEMENTS FINDINGS**

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

None noted

**ITEMS OF NONCOMPLIANCE**

None noted

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

DOUGLAS COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Douglas County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2021.

There were no findings noted in the prior audit report.

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Kansas City, Missouri 64116  
T: (816) 221.4559  
F: (816) 221.4563  
E: [Admin@McBrideLock.com](mailto:Admin@McBrideLock.com)

## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

August 7, 2023

To the County Commission and Officeholders  
Douglas County, Missouri

We have audited the accompanying financial statements of Douglas County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 17, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Douglas County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Douglas County, Missouri during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.



### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 7, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Douglas County, Missouri's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Douglas County, Missouri's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the year ended December 31, 2022, we considered Douglas County, Missouri's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our

report on our consideration of internal control over financial reporting dated August 7, 2023. However, during our audit we became aware of matters that are opportunities for strengthening internal controls.

### **Sheriff Stale Checks**

The bank reconciliation of the Sheriff's Civil account for December 31, 2022 included several stale dated checks as outstanding going back as far as 2012. There were 78 checks totaling \$1,906 listed as outstanding on the reconciliation that were written prior to the current audit period. State statutes require that unclaimed property should be done annually and any unclaimed amounts greater than 5 years (3 years for checks written to government entities) should be turned over to the state unclaimed property. We recommend that the Sheriff resolve the stale dated checks, turn over any funds required to go to unclaimed property, and remove the items from the list of outstanding checks on the bank reconciliation.

### **Other Matters**

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompanies the financial statements but is not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### **Restriction on Use**

This information is intended solely for the information and use of the County Commission and management of Douglas County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed By McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC



# Scott Fitzpatrick

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## Missouri State Auditor

St. John's Church Road  
Transportation Development District

Report No. 2023-063

September 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the St. John's Church Road Transportation Development District

### Background

The St. John's Church Road Transportation Development District (TDD) was organized in April 2001 for the purpose of improving the roadways with construction of the extension of St. John's Church Road south of Lindbergh Avenue and additional construction of roadways surrounding Lindbergh Avenue, such as Elm Road and construction of an entrance to Interstate 55. The project was completed in 2003 and St. Louis County and the St. Louis County Department of Highways and Traffic subsequently accepted ownership of the project. Project costs for the St. John's Church Road TDD totaled \$8,178,850.

The project was funded by a voter-approved one-half percent sales tax on all taxable transactions within the boundaries of the district. Debt associated with the project was satisfied and the Board of Directors approved rescinding the sales tax in September 2022. From its inception in 2001 through 2022, the St. John's Church Road TDD received \$13,772,861 in sales tax revenues, and paid \$8,603,231 in debt service costs and \$4,930,479 in interest costs.

Based on the audit, the cash balance of the St. John's Church Road TDD as of December 31, 2022, was \$887,486. According to district legal counsel, as of December 31, 2022, the district owed \$2,612 in unpaid legal fees related to the dissolution of the district. After the district's final costs and professional fees are paid, the remaining balance will be distributed to St. Louis County in accordance with state law.

### Financial Status

The audit of the St. John's Church Road TDD indicates the financial condition of the district is such that it may be abolished.

Because of the nature of this audit, no rating is provided.

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# St. John's Church Road Transportation Development District

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Robert Everitt, Board Chair  
and  
Board of Directors  
St. John's Church Road Transportation Development District  
St. Louis County, Missouri

The State Auditor is required under Section 238.275, RSMo, to audit a transportation development district prior to the question of abolishment being submitted to a vote. On January 17, 2023, the Board of Directors of the St. John's Church Road Transportation Development District approved a resolution of its intent to dissolve the district and request an audit as required by statute. The State Auditor was subsequently notified of this resolution on January 18, 2023.

The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2022. The objectives of our audit were to evaluate the financial status of the district and determine whether it may be abolished pursuant to law.

Our methodology included reviewing financial records and other pertinent documents; and interviewing various personnel of the district, as well as certain external parties. We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The audit determined the district's Board of Directors may proceed with abolishment of the district in accordance with Section 238.275, RSMo.

The accompanying Management Advisory Report presents our findings arising from our audit of the St. John's Church Road Transportation Development District.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

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# St. John's Church Road Transportation Development District Management Advisory Report - State Auditor's Findings

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## Financial Status

Our audit of the St. John's Church Road Transportation Development District (TDD) indicates the financial condition of the district is such that it may be abolished.

The St. John's Church Road TDD is located in St. Louis County. The district was organized April 17, 2001, by petition of the property owner/developer within the proposed TDD. The district consisted of 2 property owners. The members of the Board of Directors and officers consist of 5 representatives of the property owner/developer. The district has a fiscal year end of December 31.

The St. John's Church Road TDD was formed for the purpose of improving the roadways with construction of the extension of St. John's Church Road south of Lindbergh Avenue and additional construction of roadways surrounding Lindbergh Avenue, such as Elm Road and construction of an entrance to Interstate 55. St. Louis County and the St. Louis County Department of Highways and Traffic are the public entities with jurisdiction over the local portion of the project and serve as the Local Transportation Authority. The project was completed in 2003, and St. Louis County and the St. Louis County Department of Highways and Traffic subsequently accepted ownership of the project. Project costs for the St. John's Church Road TDD totaled \$8,178,850.

In April 2001, the qualified voters of the district approved a 1/2-cent (0.5 percent) sales tax on all taxable transactions within the boundaries of the district. The Board of Directors subsequently passed a resolution formally establishing that sales tax rate to be effective May 2001.

In December 2002, the St. John's Church Road TDD Board entered into an agreement with UMB Bank to issue revenue notes up to \$12,000,000 to pay for project costs. The St. John's Church Road TDD satisfied this debt in June 2022.

The Board approved rescinding the sales tax and notifying the Department of Revenue to stop collecting the district's tax on September 20, 2022. The sales tax officially expired on October 31, 2022.

From the TDD's inception in 2001 through 2022, the St. John's Church Road TDD received \$13,772,861 in sales tax revenues, and paid \$8,603,231 in debt service costs and \$4,930,479 in interest costs. See the table below for district financial activity through the period ended December 31, 2021, and the year ended December 31, 2022.

In January 2023, the St. John's Church Road TDD Board formalized its intent to dissolve the district. The district subsequently advised the State Auditor's Office (SAO) of this resolution and requested the SAO proceed with all necessary actions as required pursuant to Section 238.275, RSMo. That statute requires the State Auditor to audit the district to determine its financial





## St. John's Church Road Transportation Development District Management Advisory Report - State Auditor's Findings

status, and determine whether it may be abolished pursuant to law. It also states the board shall not propose the question to abolish the district while there are outstanding claims or causes of action pending against it; if its liabilities exceed its assets; or while the district is insolvent, in receivership, or under the jurisdiction of a bankruptcy court.

The following table presents the financial activity and cash balances from 2001 through the year ended December 31, 2021, and the year ended December 31, 2022.

	Year Ended December 31, 2022	21 Years Ended December 31, 2021
RECEIPTS		
Sales Tax	\$ 1,161,433	12,611,428
Interest Income	165	38,642
Project		
Reimbursements and		
Note Proceeds	0	989,000
Total Receipts	1,161,598	13,639,070
DISBURSEMENTS		
Debt Service	588,709	8,014,522
Interest	0	4,930,479
Administrative and		
Miscellaneous	18,990	360,482
Total Disbursements	607,699	13,305,483
RECEIPTS OVER (UNDER)	553,899	333,587
DISBURSEMENTS		
BEGINNING CASH	333,587	0
ENDING CASH	\$ 887,486	333,587

Source: Compiled by the SAO using the district's bank statements and financial statements

Based on our audit, the cash balance of the St. John's Church Road TDD as of December 31, 2022, was \$887,486. According to district legal counsel, as of December 31, 2022, the district owed \$2,612 in unpaid legal fees related to the dissolution of the district. There are no pending, threatened, or unasserted claims or assessments against the district according to district legal counsel. District officials confirmed the district is not insolvent, in receivership, or under the jurisdiction of a bankruptcy court. Based on these representations, district assets are sufficient to pay any remaining costs and obligations. After the district's final costs and professional fees are paid, the remaining balance will be distributed to St. Louis County in accordance with Section 238.275.5(1), RSMo.

Based on our audit, the Board of Directors may proceed with the abolishment of the district in accordance with Section 238.275, RSMo.





# Scott Fitzpatrick

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Missouri State Auditor

Review of Article X,  
Sections 16 Through 24,  
Constitution of Missouri  
Year Ended June 30, 2022

Report No. 2023-062

September 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Conclusions in the review of Article X, Sections 16 through 24

### Background

On November 4, 1980, the voters of Missouri passed Constitutional Amendment No. 5, which added Article X, Sections 16 through 24 to the Constitution of Missouri. The amendment is commonly referred to as the Hancock Amendment.

Section 18(a-d) of the Hancock Amendment requires annual total state revenue limits. The amendment limits the amount of personal income that may be used to fund state government to no greater than the portion used to do so in 1981, except as authorized by a vote of the people. The amendment provides for taxpayer refunds of excess revenues.

A 1996 amendment added Section 18(e) to the Hancock Amendment, which imposes an additional revenue limit on tax and fee increases. Section 18(e) states the general assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce new annual revenues greater than \$50 million adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or 1 percent of total state revenue for the second fiscal year prior to the general assembly's action, whichever is less.

### Fiscal Year 2022 Conclusions

For the year ended June 30, 2022, total state revenue was approximately \$3.7 billion under the refund threshold. As a result, no refund is due for the year ended June 30, 2022. This revenue limit has not been exceeded since the year ended June 30, 1999.

For the year ended June 30, 2022, the Office of Administration, Division of Budget and Planning determined based on fiscal notes prepared for each bill by the Committee on Legislative Research - Oversight Division, as a result of general assembly legislative actions, net taxes and fees could decrease by a total of \$44.7 million, which is under the tax and fee increase revenue limit of \$104.6 million. The projected net decrease does not include 4 bills for which the Section 18(e) fiscal impact could not be projected. Actual compliance with the Section 18(e) revenue limit can be determined after each tax and fee increase and decrease is fully effective. Since Section 18(e) was added to the Hancock Amendment in 1996, the 2016 legislative session was the only year the limit has been projected to be exceeded.

Because of the nature of this audit, no rating is provided.

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# Review of Article X, Sections 16 Through 24, Constitution of Missouri

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Kenneth J. Zellers, Commissioner  
Office of Administration  
Jefferson City, Missouri

We have conducted a review of revenues of the state of Missouri for the year ended June 30, 2022, and the application to those revenues of Article X, Sections 16 through 24, Missouri Constitution, more commonly referred to as the Hancock Amendment (included as an Appendix). We previously reported on revenues of the state for the years ended June 30, 1982 through 2021. The amendment, which was adopted by the voters of Missouri on November 4, 1980, limits the growth of state revenues collected in any fiscal year. The objectives of this review were to:

1. Evaluate the formulas to calculate the state's revenue limits.
2. Determine the specific items included in total state revenue.
3. Verify the accuracy of the revenue limit computations and compare the limits to total state revenue and projected tax and fee increases from legislative actions.
4. Review the state's overall compliance with the provisions of the amendment.

Our review included only the application of the revenue limit to state revenues and, accordingly, did not include a review of the effects of the amendment on any local governmental unit.

Our methodology to accomplish these objectives included discussions with personnel of the Office of Administration, Division of Budget and Planning, inspecting relevant records and reports compiled by that office, and reviewing data and reports from the statewide accounting system.

The Executive Summary and the Background and Methodology present our comments and conclusions concerning the state's overall compliance with the provisions of Article X, Sections 16 through 24, Missouri Constitution.

A handwritten signature in black ink that reads "S. Fitzpatrick".

Scott Fitzpatrick  
State Auditor

# Review of Article X, Sections 16 Through 24, Constitution of Missouri

## Executive Summary

### Executive Summary

The amendment, commonly referred to as the Hancock Amendment, limits annual state revenues, and tax and fee increases, and requires refunds to taxpayers if revenue or tax increases exceed prescribed limits.

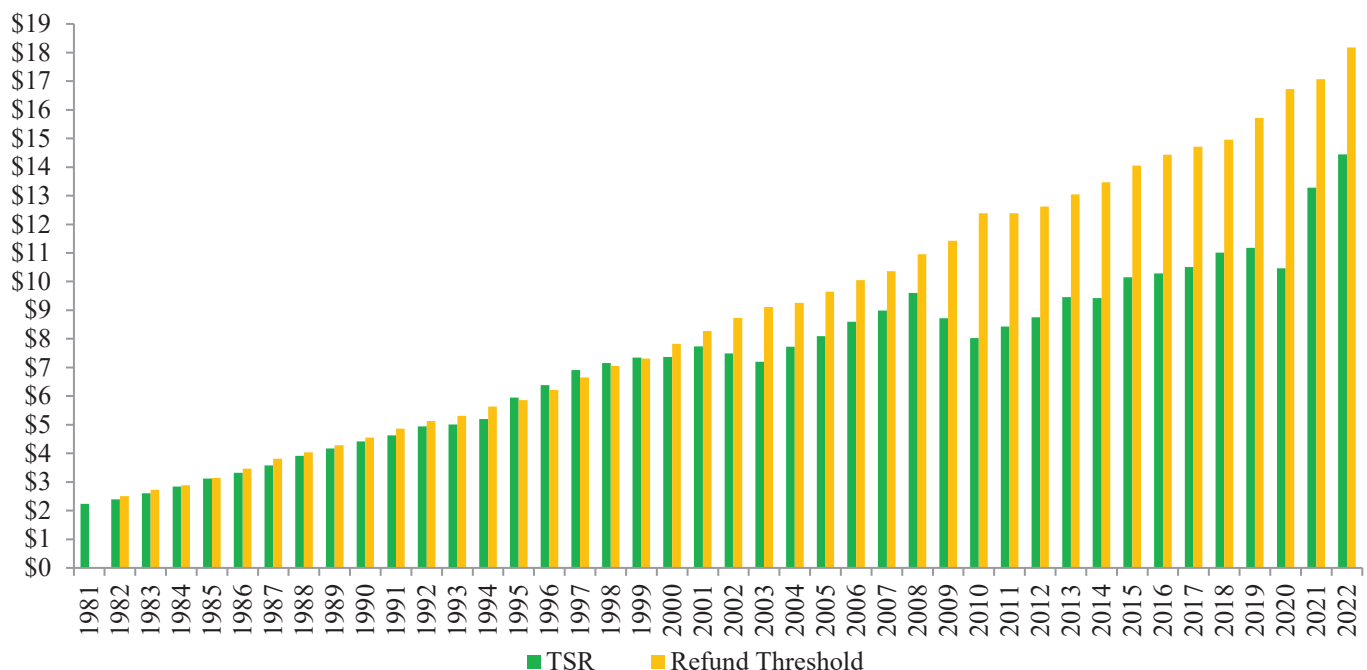
For the year ended June 30, 2022, no refunds are due to taxpayers. Total state revenue (TSR) was approximately \$3.7 billion under the refund threshold. In addition, the tax and fee increase limit for fiscal year 2022 was \$104.6 million, while net taxes and fees are projected to decrease by a total of \$44.7 million.

### Total State Revenue (TSR) Section 18(a-d)

Section 18(a-d) of the Hancock Amendment requires no greater portion of Missourians' personal income (MPI) be used in any future year to fund state government than was the case in fiscal year 1981, except as authorized by a vote of the people. The amendment provides for taxpayer refunds of excess revenues. Figure 1 depicts TSR for fiscal year 1981 to 2022, and the Hancock Amendment refund threshold from fiscal year 1982 to 2022.

Since TSR was below the refund threshold by approximately \$3.7 billion in fiscal year 2022, no refund is required. The TSR refund threshold limit has not been exceeded since fiscal year 1999. Over the last 5 years, the amount of TSR under the refund threshold has ranged from \$3.7 billion to \$6.3 billion.

Figure 1: Total State Revenue compared to Hancock Amendment refund threshold, fiscal years 1982 to 2022, dollars in billions



Source: This chart was prepared using revenue data obtained from the Statewide Advantage for Missouri (SAM II) system.



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## Review of Article X, Sections 16 through 24, Constitution of Missouri Executive Summary

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### Tax and fee increases Section 18(e)

Section 18(e) of the Hancock Amendment states the general assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce new annual revenues greater than \$50 million adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or 1 percent of TSR for the second fiscal year prior to the general assembly's action, whichever is less. For fiscal year 2022, this tax and fee increase limit was determined to be \$104.6 million.

For the year ended June 30, 2022, the Office of Administration, Division of Budget and Planning (OA-BP) determined based on fiscal notes prepared for each bill, net taxes and fees are projected to decrease by a total of \$44.7 million, which is under the tax and fee increase revenue limit of \$104.6 million. The projected net decrease does not include 4 bills for which the Section 18(e) fiscal impact could not be projected.

Actual compliance with the Section 18(e) revenue limit is determined by measuring the aggregate actual new annual revenues produced in the first fiscal year each tax and fee increase and decrease is fully effective. Since Section 18(e) was added to the Hancock Amendment in 1996, the 2016 legislative session was the only year the limit has been projected to be exceeded.

# Review of Article X, Sections 16 Through 24, Constitution of Missouri Background and Methodology

On November 4, 1980, the voters of Missouri passed Constitutional Amendment No. 5, which added Article X, Sections 16 through 24 to the Constitution of Missouri. The amendment is commonly referred to as the Hancock Amendment.

This review addresses the components of the amendment that relate to state revenues, primarily the requirements outlined in Section 18(a-d) which limit annual state revenues and Section 18(e) which limits tax and fee increases.

## Total State Revenue Section 18(a-d)

Section 18(a-d) of the Hancock Amendment requires annual total state revenue limits. The amendment limits the amount of personal income that may be used to fund state government to no greater than the portion used to do so in 1981, except as authorized by a vote of the people. The amendment provides for taxpayer refunds of excess revenues.

The Office of Administration, Division of Budget and Planning (OA-BP) calculates annual total state revenue (TSR), revenue limits, refund thresholds, and refund amounts.

## Calculation

The following table summarizes the calculated TSR, revenue limits, refund thresholds, and refund calculations for the 5 years ended June 30, 2022.

	Year Ended June 30,				
	2018	2019	2020	2021	2022
	(in millions)				
<b>TOTAL STATE REVENUE (TSR)</b>					
Total revenues	\$ 28,525.80	28,560.83	31,217.74	34,300.73	40,708.88
Less excluded revenue	(16,087.60)	(16,042.97)	(19,503.80)	(19,505.91)	(24,938.31)
Less expenditure refunds	(1,480.78)	(1,391.94)	(1,313.26)	(1,536.58)	(1,384.82)
Add refundable tax credits	56.15	56.11	62.86	24.05	54.61
TSR	\$ 11,013.57	11,182.03	10,463.54	13,282.29	14,440.36
 Missouri personal income (MPI)	\$ 261,547.77	274,975.80	292,512.85	298,619.75	318,019.08
Base year ratio (BYR)	x 0.056395	0.056395	0.056395	0.056395	0.056395
Base limit	14,749.99	15,507.26	16,496.26	16,840.66	17,934.69
Judicial article amendment	55.90	56.46	57.23	58.16	58.70
Revenue limit	14,805.89	15,563.72	16,553.49	16,898.82	17,993.39
1 percent adjustment	148.05	155.64	165.54	168.99	179.93
Refund threshold	\$ 14,953.94	15,719.36	16,719.03	17,067.81	18,173.32
 TSR	\$ 11,013.57	11,182.03	10,463.54	13,282.29	14,440.36
Less refund threshold	14,953.94	15,719.36	16,719.03	17,067.81	18,173.32
Over (under) threshold	(3,940.37)	(4,537.33)	(6,255.49)	(3,785.52)	(3,732.96)
1 percent adjustment	0.00	0.00	0.00	0.00	0.00
Refund	\$ 0.00	0.00	0.00	0.00	0.00





## Review of Article X, Sections 16 Through 24, Constitution of Missouri Background and Methodology

The calculation shows for the year ended June 30, 2022, TSR was approximately \$3.7 billion under the refund threshold. As a result, no refund is due for the year ended June 30, 2022. This revenue limit has not been exceeded since the year ended June 30, 1999.

### Revenue limit formula

The OA-BP calculated the 1981 base year ratio of personal income to TSR as 5.6 percent, and uses this ratio to calculate the annual revenue limit.

Section 18(a) establishes the revenue limit formula as follows:

$$\begin{array}{lcl} \text{Revenue limit} & \text{Total state revenue (TSR)} & \text{The greater of MPI in the} \\ \text{for fiscal year} & \text{in FY 1981} & \text{calendar year (CY) prior} \\ \text{(FY) 20XX} = & \frac{\text{CY 1979 Missouri}}{\text{personal income (MPI)}} \times & \text{to the CY in which} \\ & & \text{appropriations are made} \\ & & \text{for FY 20XX or Average} \\ & & \text{MPI for 3 CYs preceding} \\ & & \text{FY 20XX.} \end{array}$$

The formula is composed of two principal parts. The first part of the formula, the base year ratio (BYR), is as follows:

$$\frac{\text{TSR in FY 1981}}{\text{CY 1979 MPI}}$$

The application of this ratio to the second part of the formula (future years' MPI) sets the revenue limit to ensure no greater portion of a future year's personal income will be used to fund state government than was the case at the time of passage of the amendment.

The MPI amounts used in the formula for the base year and subsequent years are reported by the U.S. Department of Commerce (DOC). The OA-BP uses the MPI first officially published by the DOC after the close of the calendar year to calculate the revenue limit for the applicable fiscal year. The OA-BP does not adjust the MPI used in the BYR or the second part of the formula for subsequent adjustments to the MPI by the DOC. Section 17(2) refers to ". . . total income . . . as defined and officially reported by" the DOC. Even though the amendment does not specifically refer to such adjustments, this wording suggests the revenue limit should be recalculated each time the MPI is adjusted by the DOC. For example, the BYR would be adjusted whenever the CY 1979 MPI is adjusted by the DOC. The use of the initial reporting of MPI provides at least two benefits. First, by having a consistent and unchanging BYR, the state can more easily plan and make appropriate adjustments to stay under the revenue limit. Second, if the initial MPI is subsequently adjusted, retroactive refunds are a possibility. That is, an adjustment to MPI for any prior year (including the base year) could reduce the revenue limit for a prior year below that year's TSR, providing a refund where one previously was not due. Therefore, we find this approach reasonable if it is followed consistently.





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Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Background and Methodology

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The BYR was calculated by the OA-BP as follows (dollar amounts are in millions):

$$\frac{\$ 2,232.204096}{\$ 39,581.0} = .05639584891$$

In its calculations of the revenue limit, the OA-BP rounded the BYR to .056395. To determine the revenue limit for the fiscal year, this amount is multiplied by the MPI in the calendar year preceding the calendar year in which appropriations were made for the fiscal year or the average MPI for the 3 calendar years preceding the fiscal year. For the fiscal year 2022 revenue limit calculation, the OA-BP used the CY 2020 MPI which was greater than the average MPI for the preceding 3 calendar years.

#### Adjustments

Section 18(d) provides the revenue limit may be adjusted, "[i]f responsibility for funding a program or programs is transferred from one level of government to another, as a consequence of constitutional amendment, . . . provided that the total revenue authorized for collection by both state and local governments does not exceed that amount which would have been authorized without such a change."

The OA-BP has adjusted the revenue limit for the transfer of deputy circuit clerks from the county payroll to the state payroll under Section 483.245, RSMo, effective on July 1, 1981. In *Kelly v. Hanson*, 959 S.W.2d 107 (Mo. banc 1997), the Supreme Court of Missouri held that this adjustment to the revenue limit is appropriate.

#### Refund threshold

Section 18(b) allows the state to exceed the revenue limit by less than 1 percent before a refund is due. Therefore, to determine the point at which the refund provision takes effect (the refund threshold) the revenue limit is adjusted upward by 1 percent. However, should TSR exceed the refund threshold, all revenues in excess of the revenue limit are subject to refund.

#### TSR

An integral part in applying the provisions of the amendment to state revenues is to determine what constitutes TSR. The amendment does not specify the methodology to be used to determine TSR. Consequently, procedures to calculate TSR have been established and certain decisions as to items that would be either included or excluded have been made, except for items ruled on by the Attorney General or the Missouri courts.

TSR includes all revenues recorded in the Statewide Accounting System for Missouri (SAM II) and receipted by the state treasurer, which may only be withdrawn pursuant to an appropriation or which stand appropriated by the Constitution of Missouri. Various funds not in the state treasury are not included in TSR. These funds include university local funds; Department of



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## Review of Article X, Sections 16 Through 24, Constitution of Missouri Background and Methodology

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Revenue local sales and use tax fund collections; various funds held in trust for inmates, patients, etc.; and funds of various quasi-governmental agencies such as the Board of Public Buildings, the Housing Development Commission, the Higher Education Loan Authority, the Health and Educational Facilities Authority, and the state's retirement and other employee benefit plans. The Hancock Amendment states the composition of TSR is, "defined in the budget message of the governor for fiscal year 1980-81." The funds described above were not addressed in the governor's budget message for that year since the funds were not in the state treasury and not appropriated. Thus, it is reasonable to conclude these funds should not be included in TSR.

From the revenue amounts obtained from SAM II, 8 funds are entirely excluded and 26 types of revenues are excluded to arrive at TSR, as defined in Section 17(1). These excluded funds and revenue types, and other exclusions and limits considered to arrive at TSR are described at Appendix B. A detailed schedule of SAM II revenue, adjustments for excluded funds and revenue types and other exclusions and limits, and resulting TSR for the 5 years ended June 30, 2022, is shown at Appendix A.

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## Tax and Fee Increases Section 18(e)

A 1996 amendment added Section 18(e) to the Hancock Amendment, which imposes an additional revenue limit on tax and fee increases.

Section 18(e) states the general assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce new annual revenues greater than \$50 million adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or 1 percent of TSR for the second fiscal year prior to the general assembly's action, whichever is less. Sections 18(e) and 23 provide any taxpayer can bring suit in a court of law to enforce the provisions of the Hancock Amendment.

The OA-BP calculates the limits and monitors new legislation for tax and fee increases and decreases for each legislative session.

## Calculation

The following table summarizes the OA-BP's annual projected net increases/decreases from legislative actions based on fiscal notes prepared for each bill by the Committee on Legislative Research - Oversight Division, calculated revenue limits, and projected amounts over/under revenue limits for the 5 years ended June 30, 2022.



Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Background and Methodology

		Year Ended June 30,				
		2018	2019	2020	2021	2022
<b>LEGISLATIVE ACTIONS*</b>						
Net tax and fee increases/decreases	\$	At least (41,321,078)	(61,210,754)	(5,685,865)	Up to 24,546,218	At least (44,744,303)
<b>REVENUE LIMIT</b>						
By MPI growth	\$	123,479,209	128,134,375	135,719,930	139,411,513	147,929,556
By 1 percent of TSR	\$	102,879,357	105,028,851	110,135,745	111,820,254	104,635,404
Revenue limit (lesser amount)	\$	102,879,357	105,028,851	110,135,745	111,820,254	104,635,404
<b>DIFFERENCE</b>						
Over (under) limit	\$	N/A	N/A	N/A	Up to (87,274,036)	N/A

\* Legislative action amounts do not include bills for which Section 18(e) fiscal impact could not be projected.

N/A For fiscal years 2018, 2019, 2020, and 2022 the projections showed a net decrease in taxes and fees.

For the year ended June 30, 2022, the OA-BP determined based on fiscal notes prepared for each bill by the Oversight Division, as a result of general assembly legislative actions, net taxes and fees could decrease by a total of \$44.7 million, which is under the tax and fee increase revenue limit of \$104.6 million. As noted in the Legislative actions section, the projected net decrease does not include 4 bills for which the Section 18(e) fiscal impact could not be projected. As noted in the Compliance section, actual compliance can be determined after each bill is fully effective. The 2016 legislative session was the only year the limit has been projected to be exceeded.

## Revenue limit formula

Section 18(e) establishes the revenue limit as the lesser of (1) \$50 million adjusted annually by the percentage change in MPI for the second previous year, or (2) 1 percent of TSR for the second fiscal year prior to the legislative session.

For fiscal year 2022, the OA-BP calculated the MPI growth limit at \$147.9 million by multiplying the fiscal year 2021 MPI growth limit (\$139.4 million) by the percentage change in the MPI for fiscal year 2020 (6.11 percent). The OA-BP calculated the TSR limit at \$104.6 million by multiplying the fiscal year 2020 TSR (\$10.5 billion) by 1 percent. The revenue limit was established at the lessor of these amounts, or the TSR limit of \$104.6 million.

## Legislative actions

After each legislative session, OA-BP personnel prepare a spreadsheet to quantify the potential fiscal impact of tax and fee increases and decreases from legislation enacted during the session. In accordance with Section 18(e), the OA-BP includes each House Bill and Senate Bill truly agreed and finally passed during the session, except bills vetoed by the governor and not overridden by the general assembly, and the estimated fiscal impact amount.



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Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Background and Methodology

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The OA-BP determines estimated Section 18(e) fiscal impact amounts by compiling information and amounts in fiscal notes for each bill. The fiscal notes are prepared by the Oversight Division with input from state agencies and local political subdivisions. In accordance with Section 18(e), the OA-BP compiles an amount for the first fiscal year the bill is fully effective. For most bills with Section 18(e) fiscal impact, the OA-BP determines an increase or decrease amount based on information in the fiscal note. For some bills, the fiscal note indicates the fiscal impact is "unknown." Accordingly, the OA-BP lists "unknown," rather than a dollar amount, in the legislative actions spreadsheet for these bills. OA-BP personnel indicated they did not attempt to develop a more precise estimate for this calculation because in some cases, it is not possible to quantify the potential impact of the legislation. The legislative actions spreadsheet contains a net total tax and fee increase/decrease for all bills combined. That information is compared to the calculated revenue limit to determine potential Section 18(e) compliance. The netting of the tax and fee increases and decreases is reasonable and in compliance with the amendment language.

The OA-BP legislative actions spreadsheet for the fiscal year 2022 legislative session included 39 bills, 19 of which the OA-BP determined had potential Section 18(e) fiscal impact. For 4 of these bills, the Section 18(e) fiscal impact could not be projected.

## Compliance

Section 18(e)(4) provides compliance with Section 18(e) shall be measured by calculating the aggregate actual new annual revenues produced in the first fiscal year each individual tax or fee change is fully effective. For the fiscal year 2022 legislative session, actual compliance can be measured after each 2022 legislative session bill is fully effective.

Section 18(e)(5) provides any taxpayer or statewide elected official may bring action under Section 23 of the Hancock Amendment to enforce compliance with the provisions of Section 18(e). For actions brought by any statewide elected official, the Missouri Supreme Court has original jurisdiction. In such enforcement actions, the court will invalidate the taxes and fees that should have received a public vote. The court will order remedies in the amount of excess revenues collected, such as refunds or reductions in future taxes and/or fees.

Appendix A

Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2018	2019	2020	2021	2022
1001	Sales and use tax	\$ 2,197,128,210	2,236,491,091	2,273,584,127	2,424,264,621	2,742,803,435
1003	(8) Parks sales and use tax	47,830,741	48,374,039	49,203,710	53,504,858	59,371,983
1005	(7) Soil and water sales and use tax	47,830,649	48,373,824	49,203,732	53,504,880	59,371,998
1007	General revenue reimbursements - local sales and use tax	2,730,254	3,019,051	2,941,220	3,257,697	4,215,470
1009	(24) Motor vehicle sales tax - Amendment 3	322,920,915	314,346,167	317,211,336	394,495,234	356,604,383
1009	Motor vehicle sales tax	5,203,111	6,050,460	5,721,295	4,902,146	8,660,017
1011	(16) Conservation sales and use tax	119,568,141	120,934,964	123,010,768	133,764,426	148,433,000
1013	(2) Proposition C sales and use tax	938,175,451	949,839,137	966,614,685	1,049,142,733	1,168,462,074
1015	Sales and use taxes paid under protest	36,894	7,580	616,557	(9,172)	(17,533)
1016	(26) Suspense holding	58,298	40,014	(290,022)	2,382,243	(2,488,697)
1022	Individual income tax	7,737,588,497	7,654,451,494	6,958,777,570	8,930,181,581	9,985,344,133
1026	Corporate income tax	459,482,248	524,941,269	464,568,224	798,041,088	908,671,615
1033	County foreign insurance tax	310,095,430	293,426,981	293,622,191	303,722,106	301,546,691
1037	Worker's compensation insurance tax	17,416,920	16,976,319	17,217,104	16,846,189	17,783,855
1039	Worker's compensation insurance tax - second injury	102,703,123	99,505,372	96,723,338	79,869,463	87,746,682
1041	Excess lines of insurance tax	34,308,445	35,890,349	39,047,573	47,503,916	58,842,298
1049	Heavy beer tax	7,437,210	7,517,441	7,241,823	7,538,239	7,306,914
1051	Light beer tax	-	-	-	-	19
1053	Liquor tax	25,088,295	25,892,501	27,653,139	32,128,355	33,584,957
1055	Wine tax	6,405,925	6,317,328	6,104,996	6,650,263	6,301,467
1057	Cigarette tax	75,939,169	72,927,231	72,998,919	72,200,590	67,995,264
1058	(F) Medical Marijuana Tax - Fund 606	-	-	-	2,004,425	11,655,657
1059	Tobacco product tax	21,468,711	21,938,400	23,761,321	27,216,892	28,115,948
1060	(24) Motor vehicle fuel tax - Amendment 3	154,945,469	152,388,593	148,586,796	149,830,153	177,004,492
1060	(3) Motor vehicle fuel tax	174,486,338	171,609,379	167,296,817	168,604,482	175,076,680
1060	Motor vehicle fuel tax	399,068,251	412,515,607	402,542,183	390,302,899	459,402,644
1062	(24) Special fuel non-gas tax - Amendment 3	124,213	111,570	97,140	113,723	136,320
1062	Special fuel non-gas tax	295,570	376,208	937,972	466,070	491,197
1064	Aviation fuel tax	258,963	259,216	239,227	230,868	244,211
1070	Corporation franchise tax	2,240,048	1,614,811	(1,439,144)	69,548	-
1073	Estate tax	54,413	7,631	7,648	2,854	-
1074	(12) Bingo tax	1,452,759	1,533,143	1,389,953	901,050	1,370,782
1076	(13) Gaming commission gross receipts tax	328,396,438	327,393,773	258,699,167	325,963,707	359,721,128
1080	Real and personal property tax	29,703,452	31,102,787	33,198,922	34,929,745	31,255,359
1082	Delinquent real and personal property tax	3,562,473	2,918,029	3,326,289	2,487,967	8,335,748
1084	Hazardous waste fees	2,875,184	2,834,576	3,561,818	2,490,394	3,244,394
1086	Miscellaneous taxes protested	-	-	-	420	-
1087	DOR Warrant intercept	-	-	-	110	-
1088	Nursing facility reimbursement allowance	18,238,114	17,955,464	18,048,831	16,798,968	16,769,688
1089	Pharmacy reimbursement allowance	108,168,401	93,338,044	30,235,797	103,900,606	46,964,705
1090	Federal reimbursement allowance	26,077,730	21,750,434	25,829,333	57,567,593	40,801,514
1093	Athletic events tax	111,792	109,556	94,096	34,347	357,690
1094	Ambulance service reimbursement allowance	11,366,127	10,637,791	9,078,330	2,175,594	125,000
1095	Surcharges	14,729	-	-	-	-
1096	Special taxes and assessments	-	-	-	-	14,369
1097	Agency collected sales taxes	218,335	217,485	196,342	157,333	240,165
1099	Other taxes	75,374	55,328	90,345	46,032	72,278
1100	Professional licenses or permits	24,242,068	30,634,356	27,178,359	34,755,697	30,550,009
1102	Recreational licenses or permits	7,109,470	7,047,875	6,784,840	9,842,929	8,693,191
1106	(24) Motor vehicle licenses or permits - Amendment 3	57,150,515	55,843,654	56,436,342	63,920,471	58,734,704
1106	Motor vehicle licenses or permits	136,690,431	143,127,287	139,370,508	154,736,154	138,347,905
1108	(24) Interstate transportation licenses or permits - Amendment 3	25,801,301	26,631,965	26,124,273	29,160,709	30,955,821
1108	Interstate transportation licenses or permits	57,069,595	60,057,681	57,737,550	64,291,482	68,129,818
1110	(24) Driver's licenses or permits - Amendment 3	8,105,039	7,685,988	6,657,090	8,157,049	7,479,036
1110	Driver's licenses or permits	7,439,702	6,926,116	6,014,869	7,653,870	7,014,758
1112	Land reclamation commission permits	757,262	771,316	790,000	791,266	836,060
1114	Salesman licenses or permits	1,486,950	1,378,800	1,337,635	1,939,489	1,389,100
1116	Vehicle and boat manufacturer and dealer licenses	938,393	879,887	1,309,795	446,625	1,168,723
1118	Liquor licenses or permits	5,476,918	5,616,612	4,656,836	6,508,676	6,127,476
1120	Gaming commission licenses	1,882,525	1,582,397	2,124,411	1,349,845	1,395,280
1121	Fantasy sports licenses	43	28,999	-	10,000	10,000
1124	Motor carrier licenses	2,384,911	2,368,584	2,203,274	2,525,392	2,366,851
1126	Hunting and fishing licenses and commission permits	32,628,927	31,809,260	33,422,911	39,515,434	39,368,206
1127	Hunting and fishing special tags	1,063,441	1,125,089	1,122,249	1,687,249	1,509,584
1128	Hazardous waste transporter licenses	318,958	324,105	333,280	344,604	327,122
1130	Water pollution control permits	5,501,402	5,436,904	5,382,151	5,464,355	6,201,296

Appendix A

Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2018	2019	2020	2021	2022
1132	(24) Overdimension/overweight permits - Amendment 3	9,565,985	9,774,441	11,350,602	11,813,438	10,973,589
1134	Merchant licenses	1,619,808	1,784,454	1,640,099	1,869,604	1,932,278
1136	Tobacco licenses	26,700	25,000	24,500	24,100	27,900
1138	Temporary licenses	2,075	1,725	950	1,125	750
1140	Duplicate plates	1,558,861	1,484,598	1,385,099	1,532,660	1,493,551
1142	Duplicate driver license	2,051,614	1,974,253	1,389,134	1,422,231	1,428,304
1149	(24) Other licenses and permits - Amendment 3	1,297,211	1,330,693	1,484,353	964,092	1,114,824
1149	Other licenses and permits	3,827,119	3,885,915	4,801,659	5,247,293	5,548,098
1150	Lobbyist registration fees	11,420	10,780	10,400	9,793	9,610
1152	Motorboat fees	12,562,562	12,224,132	13,670,726	17,981,893	16,287,136
1154	Narcotics and dangerous drugs fees	926,437	941,585	955,580	980,919	974,871
1156	Occupational boards exam fees - individual exam fees	379,823	379,336	134,359	141,651	159,466
1157	Motor vehicle dealer administration fee	-	-	-	-	7,938,485
1160	(24) Non-motor fuel decal fees - Amendment 3	326,378	413,348	508,895	585,417	817,443
1162	Filing fees	19,153,508	19,777,511	20,189,821	21,402,706	22,952,885
1163	Certifying/authenticating fees	39,735	45,311	135,822	534,169	127,302
1164	Transfer fees	34,188	32,292	27,948	32,764	27,164
1165	Service contract registration fee	132,450	136,000	146,000	165,100	176,183
1169	Other registration fees	12,158,837	12,429,855	13,260,705	13,899,303	15,192,331
1172	(13) Fantasy sports operation fees	439,214	616,656	3,041	489,056	370,534
1174	Asbestos fees	641,260	594,897	602,184	584,427	562,457.15
1176	Egg license fees	33,688	36,863	32,195	33,448	30,797
1178	Milk control fees	108,294	106,344	99,705	161,277	14,234
1180	Home health care license fees	103,132	100,650	107,000	104,300	94,201
1182	Nursing home license fees	138,853	142,386	135,614	146,255	146,744
1184	Title V emissions fees	6,323,571	6,011,856	5,453,259	5,436,432	6,136,238
1185	Emission fees/non Title V facilities	438,997	683,547	387,493	412,678	445,978
1186	Boarding home license fees	715,228	753,068	753,796	730,562	746,457
1188	Public utilities fees	19,627,829	19,494,691	17,978,489	19,056,119	18,441,565
1190	Hospital license fees	83,634	85,610	86,204	85,287	80,193
1192	Grain warehouse license fees	68,966	65,504	65,197	63,006	61,855
1194	Missouri primacy fees	4,925,394	4,803,338	4,915,365	5,087,776	5,389,613
1198	Transport load fees	11,529,928	13,238,787	16,000,429	15,960,933	16,180,936
1200	Storage tank registration fees	48,405	169,650	184,515	188,680	65,505
1202	Tourist cabin permit fees	184,148	183,466	185,113	173,773	186,372
1206	Solid waste disposal fees	12,831,002	12,953,236	13,216,184	14,678,651	14,090,832
1208	New tire fees	2,125,370	2,435,613	2,464,829	2,007,200	3,033,999
1209	Battery fee	746,809	767,512	757,492	842,282	864,578
1210	Ground water protection fees	646,442	633,298	618,465	723,767	870,824
1211	Radioactive waste transport fee	139,850	144,575	134,000	102,265	181,275
1214	Insurance regulatory fees, renewals and purchasing groups	2,327,841	3,414,085	4,149,606	5,078,514	5,721,623
1216	Air conservation commission permit fees	578,176	420,838	427,288	490,432	499,616
1218	Bingo license fees	28,455	28,165	25,470	20,435	22,280
1220	Lab fees	8,623,532	8,409,131	8,132,137	8,368,059	8,773,440
1221	(F) Medical marijuana fee	-	3,958,000	21,338,720	11,887,562	14,187,428
1222	Program administration fees	1,375,091	3,213,994	1,469,038	1,345,568	1,843,707
1223	Confined animal feed operation indemnity fees	-	-	4	(4)	-
1224	Railroad assessments	968,288	1,215,223	961,401	1,142,510	1,207,401
1227	Enhanced vehicle emission inspection fees	2,157,771	2,195,749	2,130,635	2,296,152	2,148,194
1233	Grain warehouse inspection fees	4,025,240	3,190,579	2,744,214	3,499,957	3,434,471
1235	Milk inspection fees	1,101,997	1,076,971	1,187,174	1,110,594	1,019,326
1237	Ice cream products inspection fees	37,300	33,895	33,495	32,165	23,405
1239	Mine inspection fees	62,468	59,381	57,187	62,248	63,407
1241	Mobile home and recreational vehicle inspection fees	462,097	432,833	515,323	511,831	572,712
1243	Oil inspection fees	3,384,043	3,437,324	3,395,340	3,315,819	3,345,867
1244	Oil and gas resources fees	75,122	71,960	54,391	45,031	47,749
1249	Other inspection fees	2,555,711	2,632,367	2,363,875	2,796,839	2,703,961
1250	(F) Collection fees	-	-	-	-	2,091
1250	Collection fees	34,973,528	37,017,947	37,972,021	39,649,517	45,394,252
1252	(13) Admission fees - riverboat gambling	39,559,834	37,437,813	28,187,377	27,563,139	29,761,613
1252	Admission fees	1,645,002	1,501,543	1,419,259	161,026	1,497,847
1254	State auditor fees	155,378	108,510	112,585	226,896	157,166
1260	Grade crossing safety fees	1,359,194	1,387,418	1,482,791	1,430,492	1,312,524
1262	Loan administration fees	8,484,187	7,418,830	7,097,738	6,759,655	6,255,154
1263	Contract fees	2,119,654	3,166,839	3,549,414	4,109,736	4,431,349
1264	Court fees	32,990,320	31,876,520	29,055,384	25,832,244	28,173,785
1266	Financial institutions examination fees	11,138,716	11,659,106	11,517,987	11,638,758	11,845,682



Appendix A

Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2018	2019	2020	2021	2022
1268	Consumer finance license fees	1,243,357	1,245,328	1,102,280	1,227,654	983,711
1270	Transcript fees	118,465	121,049	94,058	79,817	115,479
1274	Marketing development fees	42,912	27,910	24,324	19,931	29,769
1276	Miscellaneous insurance fees	85,650	98,170	96,800	104,500	99,230
1279	(A) Lottery commission fees	264,255	254,845	219,215	371,094	285,605
1280	Motor vehicle inspection sticker fees	3,788,372	3,747,763	3,056,030	2,997,570	2,749,600
1282	Logo sign advertising fees	3,758,337	5,196,400	6,389,140	3,750,058	5,480,220
1284	Public defender fees	505,578	257,076	306,031	359,942	238,285
1286	Witness fees	5,906	4,548	5,303	2,646	4,039
1288	County recorders fees	6,346,948	6,204,456	6,466,030	8,198,495	6,842,333
1290	Training or conference fees	134,102	202,626	69,970	37,420	83,724
1294	Electronic monitoring fee	44,976	33,897	31,481	44,384	26,656
1295	Intervention fees	8,028,733	8,573,586	8,305,511	9,464,786	8,226,120
1298	Substance abuse offender program fees	4,500,717	4,423,008	3,925,288	3,861,043	3,844,675
1302	Criminal records check fees	11,134,370	12,918,735	12,403,646	11,505,047	13,171,052
1303	(C) Other fees - Fund 881	-	-	(300)	-	-
1303	Other fees	10,500,051	13,908,822	12,381,456	11,513,924	13,082,027
1305	(4) Bond sales proceeds	133,670,887	35,003,859	201,000,000	-	160,287,560
1306	Proceeds from capital leases	-	-	40,313	53,735	13,438
1307	Other debt proceeds	-	-	1	-	-
1310	Land sales	6,192,002	2,661,304	18,414,336	1,819,489	2,290,349
1312	Sales of natural resources products	3,629,948	3,063,180	2,205,514	3,093,372	3,942,171
1314	Sales of agriculture products	1,963,186	1,950,279	1,696,429	1,878,195	1,746,394
1316	Manufactured product sales	8,355,266	7,321,967	8,787,837	5,061,799	5,119,576
1318	Information sales	1,933,697	1,826,523	2,568,638	2,364,612	1,696,308
1320	Souvenir sales	1,262,051	989,771	736,500	714,420	865,653
1322	(22) Surplus property sales - state - Fund 710	3,498,193	2,160,442	1,679,375	2,227,537	2,861,776
1322	Surplus property sales - state	1,397,226	1,568,514	1,329,370	2,359,771	1,864,122
1324	Surplus property sales - federal	1,731,547	1,526,781	1,158,166	1,025,877	870,004
1328	Sales of fixed assets - control	10,326,660	11,440,310	10,798,936	9,586,445	12,042,379
1330	Vital records sales	1,146,445	1,069,043	1,057,257	1,357,874	1,594,703
1332	(A) Lottery ticket sales - Fund 682	550,136,435	574,457,578	519,018,965	637,654,846	609,016,229
1334	Cafeteria sales	743,907	760,721	496,004	362,526	414,146
1335	Canteen sales	-	37,504,377	26,954,394	28,714,625	29,665,433
1338	Other sales	160,364	153,628	138,412	154,125	239,397
1342	Supply sales	195	124	65	17	10
1401	Land rentals/leases	216,239	174,597	30,530	34,836	38,491
1403	State facilities rentals/leases	1,210,786	1,009,946	877,478	780,069	852,870
1404	Parking rentals/leases	58,886	24,636	9,465	3,233	5,172
1405	Concessions and recreational rentals/leases	3,180,389	3,393,263	2,814,895	2,940,421	3,340,148
1407	Housing/building rentals/leases	225,190	243,439	249,542	247,536	247,893
1409	Other leases and rentals	1,135,969	1,166,182	1,457,662	1,060,698	1,261,428
1414	(1) Medicare	7,123,712	4,799,624	3,888,551	5,827,589	6,315,971
1418	(1) Medicaid	79,351,290	76,018,593	70,575,382	66,692,768	69,001,746
1420	(1) Medicaid - community based	389,406,224	386,380,675	433,514,434	453,616,181	444,948,931
1422	Private payments	4,172,575	3,699,234	3,740,570	3,956,374	3,967,626
1424	Insurance payments	561,970	250,135	243,638	224,022	119,831
1426	Other payments	790,371	789,245	809,271	800,500	732,034
1434	Institutional support fees	-	-	-	1,700	-
1436	Room and care	25,026,869	22,258,611	21,135,047	16,140,932	13,346,138
1442	Mail/freight services	-	-	-	45	-
1446	Printing service	112,625	163,355	157,764	89,045	140,321
1448	Computer services	471,206	715,912	608,402	779,931	646,732
1450	Administration services	6,398	5,813	4,868	7,062	3,772
1501	Private donations	4,634,610	3,981,709	4,255,415	6,354,874	3,974,683
1502	Other governmental entity donations	1,757,500	2,835,000	4,750,000	4,394,450	6,000,000
1507	(1) NASAO (airport inspections)	27,950	20,150	24,700	24,700	24,760
1510	(1) US Department of Agriculture	508,032,007	511,845,041	503,611,906	674,692,911	838,266,725
1512	(1) US Department of Defense	39,111,801	37,466,470	46,098,484	40,361,119	41,490,807
1513	(1) US Department of Homeland Security	2,051,905	2,285,287	2,854,295	2,233,367	2,424,837
1514	(1) US Department of Housing and Urban Development	55,239,661	40,029,975	35,620,200	59,242,773	63,475,486
1516	(1) US Department of Interior	32,848,237	33,968,755	36,897,228	33,895,420	36,224,502
1518	(1) US Department of Justice	4,112,224	40,216,518	45,873,125	57,199,125	55,774,030
1520	(1) US Department of Labor	109,450,198	122,957,840	102,964,876	137,768,876	116,064,454

Appendix A

Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2018	2019	2020	2021	2022
1522	(1) US Department of Education	667,389,831	651,370,071	748,738,763	1,030,743,720	1,538,256,133
1522	(C) US Department of Education - Fund 880	2,322,003	1,883,170	2,282,678	983,239	-
1522	(C) US Department of Education - Fund 881	59,125,831	51,493,713	21,475,565	2,360,154	-
1524	(1) US Department of Transportation	1,014,416,571	964,603,792	1,029,971,801	1,348,590,993	999,716,885
1526	(1) National Foundation for the Arts and Humanities	3,711,534	3,915,414	3,653,394	4,274,019	6,741,115
1528	(1) US Veterans Administration	82,501,384	76,818,403	82,787,035	66,101,644	55,104,542
1529	(1) US General Services Administration	22,571	14,574	36,956	37,532	36,171
1530	(1) US Environmental Protection Agency	85,456,503	58,136,507	88,952,390	67,517,176	92,962,046
1532	(1) US Department of Energy	6,234,693	6,694,045	7,070,026	7,100,380	10,546,278
1534	(1) Federal Emergency Management Agency	77,200,265	54,783,155	71,343,933	230,030,786	197,013,434
1536	(1) US Department of Health and Human Services	8,045,420,770	8,183,022,147	9,103,810,671	9,665,372,089	11,602,241,728
1538	(1) National/community services	4,407,701	5,902,182	6,341,626	6,123,374	6,273,263
1540	(1) US Social Security Administration	47,106,666	46,827,978	48,828,172	49,313,469	49,742,174
1540	(E) US Social Security Administration - Fund 727	7,629	13,488	-	-	-
1542	(1) National Archives and Records	17,121	1,258	5,943	11,310	2,750
1544	(1) Elections Assistance Commission	7,230,625	-	15,698,860	64,469	1,219,482
1546	(1) US Department of Treasury	-	-	2,083,701,914	457,369,819	3,199,511,432
1549	(1) Miscellaneous federal revenues	43,310,397	44,728,057	55,560,377	58,852,371	68,065,258
1551	County mental health programs	8,557,588	7,206,115	6,009,959	4,907,653	3,662,172
1557	(1) American Recovery and Reinvestment Act	29,773,379	11,630,405	7,191,849	9,882,134	12,150,890
1560	(1) Federal pass-through grants	14,579,015	18,223,873	25,152,950	15,279,018	17,352,574
1601	(16) Time deposits interest - Fund 609	26,042	38,007	61,738	38,061	11,305
1601	(13) Time deposits interest - Fund 285	8,950	10,300	14,180	6,499	2,573
1601	(12) Time deposits interest - Fund 289	57	375	539	200	37
1601	(8) Time deposits interest - Fund 613	6,381	9,331	15,171	9,294	2,942
1601	(7) Time deposits interest - Fund 614	17,824	16,132	22,227	11,944	3,481
1601	(2) Time deposits interest - Fund 688	38,001	47,868	73,095	40,283	11,039
1601	(A) Time deposits interest - Fund 657	2,452	2,777	4,391	2,551	606
1601	(A) Time deposits interest - Fund 682	17,588	28,371	35,751	24,577	7,047
1601	(B) Time deposits interest - Fund 905	2,605	2,829	4,201	2,796	644
1601	(C) Time deposits interest - Fund 880	24,041	20,470	14,603	5,849	1,543
1601	(C) Time deposits interest - Fund 881	8,988	12,707	26,277	13,495	2,430
1601	(D) Time deposits interest - Fund 963	472	602	957	529	123
1601	(E) Time deposits interest - Fund 727	4	4	-	-	-
1601	(F) Time deposits interest - Fund 606	-	789	14,022	10,285	2,523
1601	Time deposits interest	2,247,521	2,139,605	3,091,459	2,953,507	1,110,295
1603	(16) U.S./agency securities interest - Fund 609	516,235	955,578	876,107	267,980	317,372
1603	(13) U.S./agency securities interest - Fund 285	171,468	256,369	196,929	42,929	83,403
1603	(12) U.S./agency securities interest - Fund 289	1,145	10,860	7,042	1,377	730
1603	(8) U.S./agency securities interest - Fund 613	126,197	230,422	237,304	71,017	83,768
1603	(7) U.S./agency securities interest - Fund 614	347,220	397,899	332,166	89,182	99,915
1603	(2) U.S./agency securities interest - Fund 688	781,242	1,192,306	1,591,597	440,144	303,452
1603	(A) U.S./agency securities interest - Fund 657	47,268	70,431	60,127	17,018	15,735
1603	(A) U.S./agency securities interest - Fund 682	347,260	705,698	482,139	164,149	154,606
1603	(B) U.S./agency securities interest - Fund 905	51,666	69,162	56,561	18,775	16,750
1603	(C) U.S./agency securities interest - Fund 880	467,557	495,254	198,575	39,493	44,147
1603	(C) U.S./agency securities interest - Fund 881	181,320	319,652	354,692	90,010	52,017
1603	(D) U.S./agency securities interest - Fund 963	11,847	17,625	15,722	6,577	6,468
1603	(E) U.S./agency securities interest - Fund 727	70	126	3	-	-
1603	(F) U.S./agency securities interest - Fund 606	-	19,707	177,982	69,000	68,318
1603	U.S./agency securities interest	43,348,110	70,091,462	73,174,480	34,213,613	43,612,876
1605	Other investment interest	1,069,890	925	1,250,000	2,600,000	735,000
1610	Interest on loans	5,137,467	5,475,074	6,921,579	42,472,890	1,523,228
1612	(25) Interest - federal	-	200	273	-	-
1614	Interest on receivables	3,732	7,147	3,452	4,528	4,288
1616	Interest on settlements	216,142	21,481	1,024,467	505	4,553
1618	Other interest	23,918	15,807	13,071	6,124	25,572
1621	(C) Penalties - Fund 881	86	161	416	203	99
1621	(F) Penalties - Fund 606	-	-	-	-	45,039
1621	Penalties	13,339,149	11,519,171	10,976,306	11,008,947	13,973,552
1622	Penalties - control	-	-	-	20,106	-
1624	(A) Settlements - Fund 657	36,826	-	-	3,459	-
1624	Settlements	4,954,292	13,216,473	6,200,832	27,544,074	10,046,920
1626	Court awards	19,228,331	15,085,967	21,798,763	493,040,550	6,825,291
1628	Insufficient funds charges	2,920	2,495	2,946	1,840	2,693
1634	Estates	208	550	564	3,646	5,633
1636	Unclaimed properties	98,968,823	97,610,441	85,468,078	99,282,273	115,142,505



Appendix A

Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2018	2019	2020	2021	2022
1700	(5) Salary refunds - federal	155,384	247,439	226,248	253,899	210,425
1701	(5) Salary refunds - state	18,039	12,215	3,245	69,210	7,450
1702	(5) Salary refunds - local/other	1,218	442	675	15	31
1703	(5) General relief pension refunds	568	15	2,559	700	-
1704	(5) Blind pension refunds	13,313	13,541	18,871	12,225	4,959
1706	(5) Dependent children pension refunds	197,576	219,800	187,950	142,182	167,458
1715	(5) Day care refunds	160,334	190,391	178,095	116,638	56,080
1717	(5) Medicare - Medicaid refunds	769,637,896	782,649,205	793,013,286	823,648,251	974,049,512
1719	(5) Cost in criminal cases refunds	1,131,067	828,984	630,278	277,619	295,632
1720	(5) American Recovery and Reinvestment Act refunds	10,441	-	-	-	-
1721	(5) Vendor refunds - federal	977,390	2,494,719	1,155,291	1,805,763	1,534,031
1722	(5) Vendor refunds - state	1,132,213	1,001,934	7,016,701	1,994,037	2,507,647
1722	(A) Vendor refunds - state - Fund 682	3,206	2,905	8,618	2,364	-
1723	(5) Vendor refunds - local/other	811,425	511,124	1,067,901	1,785,324	1,745,223
1723	(C) Vendor refunds - local/other - Fund 880	609	-	-	-	-
1724	(5) Vendor refunds - political subdivision	-	-	-	70,012	-
1725	(5) Excess court payment refunds	1,185,773	5,238	21,982	-	716
1727	(5) School refunds	3,971,653	3,560,474	6,851,013	4,406,475	5,606,680
1728	(5) Scholarship refunds	1,163,954	1,113,541	1,093,242	1,091,078	1,856,316
1731	(5) Audit findings - local/other	118,960	120,662	3,287	104,965	-
1732	(5) Utility refunds	223,191	203,928	186,432	110,032	461,517
1733	(5) Fuel tax refunds	101,946	22,557	158,062	61,376	989
1737	(5) Other refunds	2,575,366	2,486,360	2,756,766	2,849,991	6,721,538
1737	(C) Other refunds - Fund 880	263	-	-	-	-
1737	(A) Other refunds - Fund 657	-	-	-	104	-
1806	(18) Recovery costs	155,657,507	151,805,702	145,520,688	154,110,560	154,723,921
1806	(A) Recovery costs - Fund 682	-	-	-	6,390	-
1806	(A) Recovery costs - Fund 657	-	-	-	94	-
1808	Deposit of surplus property funds	-	-	-	-	366
1811	(21) Local match	15,507,413	31,544,265	37,751,526	42,091,015	46,251,050
1812	(19) Cost reimbursements - federal	2,577,917	2,162,777	1,287,470	1,104,350	1,254,137
1812	(A) Cost reimbursements - federal - Fund 657	-	-	-	2,234	-
1813	(19) Cost reimbursements - state	18,239,650	12,710,970	41,100,382	10,516,181	11,492,104
1813	Cost reimbursements - state (included)	17,573,302	16,987,024	13,850,982	17,947,130	16,875,134
1814	(19) Cost reimbursements - local/other	154,003,419	140,539,292	217,396,998	202,935,423	181,636,070
1814	(B) Cost reimbursements - local/other - Fund 905	6,872,485	6,644,373	6,160,944	200,309	-
1816	Bond account	4,976,308	694,404	116,729	(109,486)	312,783
1818	(17) Employee expense reimbursement - federal	8,846	3,136	1,321	-	-
1819	(17) Employee expense reimbursement - state	208	13,711	2,598	594	134
1820	(17) Employee expense reimbursement - local/other	1,418,604	-	-	-	-
1821	(17) Employee personal expense reimbursement	42,534	44,356	33,552	19,539	69,717
1822	(10) Outlawed checks	8,039,816	9,398,263	9,955,197	20,856,430	21,171,130
1822	(B) Outlawed checks - Fund 905	8,076	19,708	28,733	14,489	-
1824	(20) Canceled checks	3,541,743	3,028,906	5,462,855	19,964,623	33,832,910
1824	(A) Canceled checks - Fund 657	-	-	-	-	-
1824	(B) Canceled checks - Fund 905	216	2,362	2,195	598	-
1826	(9) Redeposit of investments principal	1,608,437	-	1,163,000	-	-
1828	(11) Redeposit of loan principal	105,777,957	105,666,580	105,774,350	104,841,201	114,456,397
1830	Telephone commissions	1,677,892	1,677,196	1,727,512	1,779,361	1,832,717
1832	Commission on sales	5,411	4,362	935,297	1,009,906	1,136,824
1834	(23) Rebates - WIC	76,650,915	66,017,708	91,390,292	60,338,593	29,788,958
1834	Rebates	1,492,665	1,875,110	1,889,674	1,903,712	2,211,380
1834	(A) Rebates - Fund 657	9	-	-	-	-
1834	(A) Rebates - Fund 682	5,984	6,395	6,511	3,127	5,567
1834	(C) Rebates - Fund 880	337	87	120	87	89
1838	Loan defaults	844,904	322,182	956,907	289,137	172,960
1842	(11) Loan repayment	342,417	331,880	291,776	352,848	11,547,210
1842	(C) Loan repayment - Fund 880	-	-	359,678	-	-
1842	(C) Loan repayment - Fund 881	45,668,963	53,860,767	47,715,398	17,333,379	-
1843	(11) Loans receivable contra account	6,598,537	5,976,882	5,767,258	5,692,682	13,082,619
1844	Insurance proceeds	17,119	-	172,088	46,345	25,894
1844	(A) Insurance proceeds - Fund 682	-	-	-	4,300	4,228
1846	Capital credits/dividends	107,384	134,572	137,225	150,201	161,377
1848	Recycling receipts	192,205	135,655	86,155	130,506	277,496
1850	Forfeitures	1,782,672	1,355,045	1,131,840	1,106,794	2,133,541
1852	Overpayments	546,208	772,732	325,512	331,850	233,937

Appendix A

Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2018	2019	2020	2021	2022
1856	(1) Other miscellaneous receipts - federal	7,181,871	5,763,802	4,519,919	6,609,148	5,813,685
1858	(A) Other miscellaneous receipts - state - Fund 682	3,238	3,638	587	274	1,978
1858	(B) Other miscellaneous receipts - state - Fund 905	5,665,570	6,475,011	8,337,414	14,511,647	14,545,415
1858	Other miscellaneous receipts - state	10,610,567	9,679,740	11,224,781	3,355,828	2,847,650
1860	(A) Other miscellaneous receipts - local/other - Fund 682	3,883,124	1,985,789	6,051,060	9,299,573	9,217,555
1860	Other miscellaneous receipts - local/other	1,790,819	8,150,544	4,202,996	10,140,446	7,405,438
1862	(A) Fees for copying public records - Fund 682	36	-	-	-	-
1862	Fees for copying public records	267,948	311,020	287,750	294,965	315,861
1866	Federal share of grantee sales	233,188	123,333	126,002	197,323	82,118
1868	Receivable overpayment - federal	-	-	3,087	-	-
1870	Receivable overpayment - state	716	-	406	9	1
6001	(6) Supply sales	406,292	385,028	380,063	223,438	244,519
6002	(6) Open records fees	7,424	9,833	29,888	17,033	3,757
6003	(6) Fleet services operations/maintenance	1,767,638	1,845,034	1,630,001	1,342,387	1,349,068
6005	(6) Fleet services replacement	1,288,996	1,584,587	1,249,899	736,213	820,714
6006	(6) Criminal records check fees	314,477	247,727	185,840	149,328	247,103
6007	(6) Mail/freight services	9,291,754	9,789,843	10,798,189	10,204,399	10,492,151
6009	(6) Telephone billing	33,736,326	38,077,517	40,025,368	41,872,421	38,556,391
6011	(6) Printing service	4,323,276	5,156,289	4,711,820	3,773,457	4,178,058
6013	(A) IAB Reimbursement/recovery cost - Fund 682	-	-	-	1,481	-
6013	(6) Reimbursement/recovery cost	27,843,968	26,651,528	28,451,985	31,412,198	32,423,594
6015	(6) Leased facility	63,126,489	64,424,904	60,956,253	61,473,427	65,059,761
6017	(6) Sale of material, supplies, and services	655,026	588,218	646,191	496,592	584,674
6019	(6) Training	431,464	668,357	599,034	66,778	87,912
6021	(6) Computer services	32,349,562	37,043,025	37,691,418	40,835,010	41,297,364
6023	(6) Administration services	732,883	537,658	867,176	494,573	612,783
6025	(6) Flight operations services	86,447	282,306	273,466	204,018	374,925
6027	(6) Sale of manufactured products	18,619,178	22,131,780	20,375,048	15,210,421	15,765,394
6029	(6) Interagency receipts	33,691,602	34,030,155	31,060,817	35,564,890	32,039,560
6030	(6) Sampling &/or analysis	831,956	875,291	826,231	833,125	1,129,239
6031	(14) Redeposit of state funds	232,824	142,657	138,562	243,774	253,195
6032	(6) Deposit of unclaimed property	-	-	-	-	100
6033	(6) Permits	48,344	37,238	52,500	45,277	51,120
6034	(6) Registration fees	102,586	139,050	67,890	96,807	119,245
6035	(6) Taxes	8,380,299	8,188,913	8,202,365	8,004,451	7,438,121
6036	(6) Transcript fees	10,545	12,884	22,959	9,015	9,291
	Total Revenues	28,525,799,531	28,560,833,266	31,217,735,295	34,300,730,388	40,708,883,341

Fund Exclusions (See Appendix B for additional detail):

(A)	Lottery Funds - Fund 657 and 682	554,747,680	577,518,427	525,887,363	647,557,637	618,709,156
(B)	Alternative Care Trust Fund - Fund 905	12,600,617	13,213,445	14,590,048	14,748,614	14,562,809
(C)	Student Loan Funds - Funds 880 and 881	107,800,000	108,085,981	72,427,702	20,825,909	100,325
(D)	Pansy Johnson-Travis Memorial State Gardens Trust Fund - Fund 963	12,319	18,227	16,679	7,106	6,591
(E)	Division of Youth Services Child Benefits Fund - Fund 727	7,703	13,618	3	-	-
(F)	Veterans' Health and Care Fund - Fund 606	-	3,978,496	21,530,724	13,970,812	25,961,056

Revenue Source Exclusions (See Appendix B for additional details):

(1)	Federal funds	11,362,716,108	11,388,424,592	14,665,289,758	14,554,828,280	19,536,762,089
(2)	Proposition C sales and use tax/interest	938,994,695	951,079,311	968,279,377	1,049,623,160	1,168,776,565
(3)	Proposition A gas tax and license fee increases	174,486,338	171,609,379	167,296,817	168,604,482	175,076,680
(4)	Bond sales	133,670,888	35,003,859	201,000,000	-	160,287,560
(5)	Refunds	783,587,704	795,682,569	814,571,885	838,799,688	995,226,204
(6)	Interagency sales and receipts	238,046,532	252,707,165	249,104,402	253,065,260	252,884,844
(7)	Soil and water sales and use tax/interest	48,195,693	48,787,855	49,558,126	53,606,005	59,475,394
(8)	Parks sales and use tax/interest	47,963,318	48,613,792	49,456,185	53,585,169	59,458,693
(9)	Redeposit of investment principal	1,608,437	-	1,163,000	-	-
(10)	Outlawed checks	8,039,816	9,398,263	9,955,197	20,856,430	21,171,130
(11)	Redeposit of loan principal	112,718,913	111,975,342	111,833,384	110,886,731	139,086,226
(12)	Bingo	1,453,961	1,544,378	1,397,534	902,629	1,371,549
(13)	Riverboat gambling	368,575,905	365,714,911	287,100,693	354,065,330	389,939,251
(14)	Redeposit of state funds	232,824	142,657	138,562	243,774	253,195
(15)	Loan proceeds	-	-	-	-	-
(16)	Conservation sales and use tax/interest	120,110,418	121,928,549	123,948,613	134,070,469	148,761,676
(17)	State employee expense reimbursement	1,470,191	61,203	37,471	20,133	69,851
(18)	Recovery costs	155,657,507	151,805,702	145,520,688	154,110,560	154,723,921
(19)	Cost reimbursements	174,820,986	155,413,039	259,784,850	214,555,955	194,382,311
(20)	Canceled checks	3,541,743	3,028,906	5,462,855	19,964,623	33,832,910
(21)	Local match	15,507,413	31,544,265	37,751,526	42,091,015	46,251,050

# Appendix A

## Review of Article X, Sections 16 Through 24, Constitution of Missouri Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2018	2019	2020	2021	2022
(22)	Proceeds of surplus property sales - Fund 710	3,498,193	2,160,442	1,679,375	2,227,537	2,861,776
(23)	DHSS program rebates	76,650,915	66,017,708	91,390,292	60,338,593	29,788,958
(24)	Amendment 3 revenue derived from highway users	580,237,026	568,526,419	568,456,377	509,210,133	643,820,612
(25)	Interest - federal	-	200	273	-	-
(26)	Suspense holding	58,298	40,014	(290,022)	152,212,397	(2,488,697)
Other Exclusions and Limits:						
	CMLA interest payment to the federal government	220,155	494,665	885,764	442,007	319,720
	Agency remitted sales tax	253,441	236,987	193,446	131,791	235,134
	Abandoned funds claim payments	43,734,033	43,372,088	38,218,447	44,603,811	46,412,390
	Circuit courts escrow	2,506,078	2,241,863	2,391,089	24,093	2,918,144
	Debt offset escrow	13,876,494	12,588,483	17,766,076	15,732,099	17,309,869
	Total exclusions	16,087,602,342	16,042,972,800	19,503,794,559	19,505,912,232	24,938,308,942
	Total revenues after exclusions	12,438,197,189	12,517,860,466	11,713,940,736	14,794,818,156	15,770,574,399
	Less SAM II expenditure refunds (Appendix C)	(1,480,782,389)	(1,391,943,779)	(1,313,261,786)	(1,536,579,798)	(1,384,822,732)
	Add refundable tax credits:					
	Missouri Works	16,996,555	-	38,753,019	15,611,763	34,844,512
	BUILD	7,080,218	7,893,969	9,686,302	-	14,631,418
	Missouri Quality Jobs	25,388,581	23,535,191	7,814,728	3,919,781	1,444,093
	New Enhanced Enterprise Zone	3,228,601	2,599,274	1,563,307	-	-
	Self-employed Health Insurance	2,123,978	1,748,506	3,193,355	2,579,205	2,144,118
	Public Safety Officer Surviving Spouse, Residential Dwelling Accessibility, Sporting Event Credit, and Business Facility Credit	1,341,800	20,331,791	1,850,763	1,938,624	1,542,700
	Total State Revenue	\$ 11,013,574,533	11,182,025,418	10,463,540,424	13,282,287,731	14,440,358,508

Revenue amounts excluded from SAM II revenue amounts to arrive at Total State Revenue are discussed at Appendix B.

Source: This appendix was prepared using revenue data obtained from the Statewide Advantage for Missouri (SAM II) system.

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# Review of Article X, Sections 16 Through 24, Constitution of Missouri

## Appendix B - Total State Revenue Exclusions

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### TSR Exclusions

Various revenue amounts are excluded from Statewide Accounting System for Missouri (SAM II) revenue amounts to arrive at Total State Revenue (TSR), as shown on Appendix A. These exclusions, which include certain funds, certain revenue types, and other exclusions and limits, are discussed below.

### Excluded Funds

From the revenue amounts obtained from SAM II, certain funds are entirely excluded to arrive at TSR, as defined in Article X, Section 17(1), Missouri Constitution, as follows:

#### (A) Lottery Funds

In November 1984, the voters approved Article III, Section 39(b), Missouri Constitution, which authorized the creation of the Missouri State Lottery. This provision states that revenues produced from the conduct of a state lottery shall not be a part of TSR. Since the voters approved the state lottery, all revenue and expenditure refunds related to the state lottery are excluded. Beginning in fiscal year 2017, lottery proceeds are deposited in the State Lottery Fund. In prior fiscal years, they were deposited in the Lottery Enterprise Fund.

#### (B) Alternative Care Trust Fund

The Alternative Care Trust Fund was established in 1989 under Section 210.560, RSMo. The Department of Social Services uses this fund to account for funds held in trust for the benefit of children who have been placed in the legal custody of the state. The Department of Corrections, Department of Mental Health, and the Missouri Veterans Commission hold funds in trust for inmates and patients. Funds held in trust are not state funds since the funds remain the property of the individual. Since the Alternative Care Trust Fund does not account for state funds, it is excluded.

#### (C) Student Loan Funds

Federal legislation passed in 1997 made changes in the accounting required for federal education loans. Starting in federal fiscal year 1998, the federal government considers all monies in these funds as property of the federal government or guaranty agency. As a result, the state excludes the two student loan funds held in trust.

#### (D) Pansy Johnson-Travis Memorial State Gardens Trust Fund

The state received an endowment in 1987 for the purpose of establishing a memorial state garden. The state is to invest the endowment for 100 years before using the funds to establish the memorial garden. Since the funds cannot be appropriated until 2087, the revenue is excluded from TSR.

#### (E) Division of Youth Services Child Benefits Fund

The Division of Youth Services (DYS) Child Benefits Fund was administratively created to account for payments from the Social Security Administration held in trust for the benefit of youth in the DHS custody. Funds held in trust are not deemed to be state funds, and are therefore excluded. This fund was added as an excluded fund in fiscal year 2016. In prior years, most of the fund revenues were excluded as federal funds.



Review of Article X, Sections 16 Through 24,  
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Appendix B - Total State Revenue Exclusions

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|------------------------------------|---|
| (F) Veterans' Health and Care Fund | In November 2018, the voters approved Article XIV, Section 1.4, Missouri Constitution, which authorized the creation of the Missouri Veterans' Health and Care Fund. The fund is used to account for various taxes and fees also authorized by that section for the regulation of medical marijuana licensing and distribution. Since voters directly approved these taxes and fees, the fund is excluded from TSR. |
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Excluded Revenues

From the revenue amounts obtained from SAM II, certain types of revenues are excluded to arrive at TSR, as defined in Article X, Section 17(1), Missouri Constitution, as follows:

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|---|---|
| (1) Federal Funds   | Article X, Section 17, Missouri Constitution, specifically excludes federal funds.  |
| (2) Proposition C Sales and Use Tax/Interest  | In November 1982, the voters approved Proposition C, which increased the state sales and use tax by 1 percent. Since Proposition C received direct voter approval as provided in Article X, Section 16, Missouri Constitution, the proceeds from the additional 1 percent sales and use tax, including any interest earned on the investment of such taxes, are excluded.                               |
| (3) Proposition A Gas Tax and License Fee Increases                                       | In April 1987, the voters approved Proposition A, which increased the motor fuel tax by 4 cents per gallon and increased the annual registration fee for certain motor vehicles, effective July 1, 1987. Since the increase in tax and fees received direct voter approval, these revenues are excluded. Also, see item (24).   |
| (4) Bond Sales  | Attorney General Opinion 22-1982 concluded that proceeds of the state's general obligation bonds were not to be included in TSR.  |
| (5) Refunds   | Refunds received due to the overpayment of obligations by the state, as identified by certain revenue source codes, are excluded. Refunds also include cost recoveries and prescription drug rebates received through the Medicaid and Children's Health Insurance programs.  |
| (6) Interagency Sales and Receipts  | Since interagency transactions do not generate additional revenue for the state as a whole, interagency sales and receipts, as identified by certain revenue source codes, are excluded.  |
| (7) Soil and Water Sales and Use Tax/Interest and<br>(8) Parks Sales and Use Tax/Interest | In August 1984, the voters approved a one-tenth of 1 percent sales tax for soil and water conservation and state parks. Article IV, Section 47(c), Missouri Constitution, states that the additional revenue provided by the tax shall not be part of TSR. Since the voters approved the sales tax, the sales tax and any interest earned on the investment of the balance in these funds are excluded. |
| (9) Redeposit of Investment Principal   | The redeposit of investment principal is excluded.  |



Review of Article X, Sections 16 Through 24,  
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Appendix B - Total State Revenue Exclusions

(10) Outlawed Checks	Outlawed checks (issued checks not cashed by the payee within the time allowed) are redeposited in the state treasury and are excluded.
(11) Redeposit of Loan Principal	Redeposits of loan principal are excluded.
(12) Bingo Tax	<p>The August 1992 amendment to Article III, Section 39(d), Missouri Constitution, related to gaming activities also applies to bingo games, in that all state revenues derived from the conduct of gaming activities shall be appropriated beginning July 1, 1993, solely for public education and shall not be included in TSR. Section 313.007, RSMo, requires the bingo tax to be deposited in the Bingo Proceeds for Education Fund. The bingo tax, certain fees, and the interest earned on the investment of the fund are excluded from TSR.</p>
(13) Riverboat Gambling and Other Gaming Proceeds	<p>In August 1992, voters approved an amendment to Article III, Section 39(d), Missouri Constitution, that requires all state gaming revenues be appropriated for public education and excludes these revenues from TSR.</p> <p>In 1993, the state enacted Senate Bills 10 and 11. This comprehensive gaming legislation established riverboat gaming in the state. The legislation repealed House Bill (HB) 149 related to riverboat gaming, which had been enacted by voters as Proposition A in November 1992.</p> <p>Under Senate Bills 10 and 11, the state imposed a 20 percent tax on adjusted gross receipts from gambling games. In November 2008, the voters approved increasing the tax to 21 percent. The state treats 90 percent of this revenue as state gaming revenues under Article III, Section 39(d), Missouri Constitution, and earmarks the revenues to the Gaming Proceeds for Education Fund. The remaining 10 percent of this revenue is allocated to the home dock city or county. Under Article III, Section 39(d), Missouri Constitution, the 90 percent portion of the adjusted gross receipts tax is exempted from TSR. The remaining 10 percent portion of the adjusted gross receipts tax is also excluded from TSR because these funds are distributed by the Department of Revenue without deposit in the state treasury and without appropriation.</p> <p>Under Senate Bills 10 and 11, the legislature also established a Gaming Commission Fund in the state treasury and authorized gaming commission license fees, penalties, administrative fees, reimbursements, and admission fees to be deposited in this fund and expended pursuant to state appropriation for various purposes.</p> <p>On November 24, 1998, the Missouri Court of Appeals, Western District, entered its final decision in <i>Kelly v. Hanson</i>, 984 S.W. 2d 540 (Mo. App. W.D. 1998). The Missouri Court of Appeals, Western District, held that revenue from the \$1 portion of the state-imposed \$2 admission fee payable to the state is excluded from TSR, while the revenue from the payments to the</p>





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Review of Article X, Sections 16 Through 24,  
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Appendix B - Total State Revenue Exclusions

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state to recoup public safety and regulatory enforcement costs is included in TSR. The remaining \$1 portion of the \$2 admission fee is also excluded from TSR because these funds are distributed by the Department of Revenue without deposit in the state treasury and without appropriation.

In 2016, the state enacted HB 1941 that requires licensed fantasy sports contest operators to pay an annual operation fee equal to 11.5 percent of the operator's net revenue from the previous calendar year. These revenues are deposited in the Gaming Proceeds for Education Fund. Section 313.822, RSMo, provides all monies deposited in the Gaming Proceeds for Education Fund are to be treated as proceeds of river boat gambling. Under Article III, Section 39(d), Missouri Constitution, these annual operation fees are excluded from TSR.

(14) Redeposit of State Funds

The redeposit of state funds for which a state expenditure was originally incurred, such as from closing a petty cash fund and returning the funds to the state treasury, is excluded.

(15) Loan Proceeds

The state periodically receives loans or advancements from the federal government, local governments, or private sources, to finance the acceleration of state projects. Since the loans must be repaid in the future, they are excluded.

(16) Conservation Sales and Use  
Tax/Interest

In *Conservation Federation of Missouri v. Richard Hanson*, 994 S.W. 2d 27 (Mo. Banc. 1999), the Supreme Court held that the revenue derived from the one-eighth of 1 percent conservation sales tax, and any interest earned on the investment of these funds, are excluded.

(17) State Employee Expense  
Reimbursement

The state receives reimbursement from private individuals, firms, partnerships, corporations, etc., for state employee expenses incurred in providing testimony in a court of law, for which the employee has already been reimbursed by a state expense account. These reimbursements are excluded.

(18) Recovery Costs

Monies received from others for costs incurred by the state or to be incurred by the state are excluded. Monies received from tobacco companies under the Tobacco Master Settlement Agreement are included in the recovery costs exclusion. See Tobacco Master Settlement Agreement Proceeds section. Also, see item (19).

(19) Cost Reimbursements

Monies received from other governments for reimbursements of costs incurred by the state are excluded.

Regarding items (18) and (19), the state has excluded from TSR receipts for cost reimbursements since fiscal year 1982 and receipts for recovery costs since fiscal year 1988. Although the constitution does not specifically



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Appendix B - Total State Revenue Exclusions

mention cost reimbursements and recovery costs and they have not been the subject of a court decision, we have agreed with such exclusions because from an accounting standpoint, they would not be considered revenue.

(20) Canceled Checks

Receipts derived from the redeposit of state checks that have been canceled are excluded.

(21) Local Match

Local governments provided funds to the state to use as a local match to qualify for federal or state funding. Since these funds are not state funds, they are excluded.

(22) Proceeds of Surplus Property  
Sales

The proceeds from some sales of surplus property are excluded. Although the constitution does not specifically mention proceeds of surplus property sales and they have not been the subject of a court decision, we have agreed with such exclusions because from an accounting standpoint, they would not be considered revenue.

(23) DHSS Program Rebates

The Department of Health and Senior Services (DHSS) receives rebates through various federal programs, including the Special Supplemental Nutrition Program for Women, Infants, and Children and the HIV Care Formula Grants. These rebates are related to purchases made with federal funds and are therefore excluded.

(24) Amendment 3 Revenue  
Derived From Highway  
Users

In November 2004, the voters approved an amendment to Article IV, Sections 29 and 30(a) through 30(c) and added Section 30(d), Missouri Constitution, effective July 1, 2005.

Section 30(a)(4) provides for the apportionment and distribution of net proceeds of motor fuel tax. This section further provides that, "The net proceeds of fuel taxes apportioned, distributed and deposited under this section to the state road fund, counties, cities, towns and villages shall not be included within the definition of 'total state revenues'. . . ."

Section 30(b) provides for the use and distribution of revenue derived from highway users as an incident to their use or right to use the highways of the state (including all state license fees and taxes on motor vehicles, trailers and motor vehicle fuels and excepting sales tax on motor vehicles and trailers which are not distributed to the state road fund). This section further provides that, "The moneys apportioned or distributed under this section to the state road fund, the state transportation fund, the state road bond fund, counties, cities, towns or villages shall not be included within the definition of 'total state revenues'. . . ."

As a result, motor vehicle sales tax and special fuel non-gas tax, and fees from motor vehicle licenses or permits, interstate transportation licenses or permits, driver's licenses or permits, overdimension/overweight permits, other





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Review of Article X, Sections 16 Through 24,  
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Appendix B - Total State Revenue Exclusions

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licenses and permits, and non-motor fuel decals credited to the State Road Fund, State Road Bond Fund, and/or State Transportation Fund are excluded from TSR.

The increase in interstate transportation license or permits for certain motor vehicles excluded under this section were previously excluded and, as a result, have no impact on TSR. (See item (3))

Sections 29, 30(c), and 30(d) have no Hancock implications.

(25) Interest - Federal

Interest assessed and received on advances made to the state by the federal government. Since the interest is due to the federal government, it is excluded from TSR.

(26) Suspense Holding

The collection of unidentified funds for both state and non-state entities. Since these monies have not been identified, they are excluded from TSR.

Other Exclusions and  
Limits

Other exclusions and limits have been considered to arrive at TSR, as follows:

Cash Management Improvement  
Act (CMIA)

The state has to enter into an agreement with the federal government that governs the timing of when the state can obtain federal grant monies. If the state holds federal funds longer than needed, the state has to reimburse the federal government for interest earnings. Since the interest was earned on federal funds and has to be returned to the federal government, it is excluded from TSR.

Agency Remitted Sales Tax

Some state agencies sell goods or services to the public and collect sales tax. To avoid counting the same receipts in TSR twice, the sales tax remitted by state agencies to the Department of Revenue is excluded from TSR.

Abandoned Funds Claim  
Payments

Under Section 447.543, RSMo, the state receives abandoned funds from various sources (banks, businesses, insurance companies, etc.). These funds are placed in the state Abandoned Fund Account. The rightful owner may receive these funds if properly claimed. The state includes the receipts in TSR. Starting in fiscal year 1998, the state excludes from TSR amounts paid to the rightful owner.

Circuit Courts Escrow and Debt  
Offset Escrow

Under Section 488.5028, RSMo, the Department of Revenue and State Lottery Commission make setoffs of income tax refunds and lottery prize payouts, respectively, for amounts owed to circuit courts. Similarly, under Section 143.784, RSMo, the Department of Revenue makes setoffs of income tax refunds for amounts due to state agencies. Amounts setoff under both provisions are placed in escrow accounts until any review hearings are held and the matter is resolved. As a result, this revenue is not included in TSR.



Review of Article X, Sections 16 Through 24,  
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Appendix B - Total State Revenue Exclusions

Expenditure Refunds

Under Article X, Section 17(1), Missouri Constitution, TSR shall exclude the amount of any credits based on actual tax liabilities. Refunds disbursed due to the excess collection by the state of liabilities owed the state, largely tax refunds, as identified by certain expenditure object codes are excluded. The method used to determine expenditure refunds is not specified in the amendment. Although the OA-BP initially used the appropriation basis to determine expenditures refunds, during fiscal year 1984, the OA-BP changed to the cash basis. In *Kelly v. Hanson*, 959 S.W.2d 107 (Mo. Banc 1997), the Supreme Court held that a cash basis of accounting should be used to determine compliance with the Hancock Amendment. A schedule of expenditure refunds is included at Appendix C.

Tobacco Master Settlement  
Agreement Proceeds

The OA-BP excluded \$139,365,296 received from tobacco companies during fiscal year 2022. The Master Settlement Agreement was entered into effective November 23, 1998, between the major cigarette manufacturers and the states' Attorneys General. Missouri received its first payments under the settlement agreement during fiscal year 2001 and future payments from tobacco companies extend in perpetuity. The payment received in 2001 included amounts under the settlement agreement for 1998, 2000, and 2001. The settlement agreement did not require a payment for 1999. Payments for fiscal years 2001 through 2022 were as follows:

Fiscal Year	Amount
2001	\$ 338,230,653
2002	172,679,543
2003	166,895,179
2004	142,829,966
2005	144,964,644
2006	133,078,222
2007	139,292,616
2008	153,277,453
2009	168,066,958
2010	140,318,927
2011	132,631,552
2012	135,246,224
2013	135,166,246
2014	66,085,418
2015	132,261,643
2016	123,645,603
2017	191,261,135
2018	138,311,530
2019	134,225,943
2020	129,544,993
2021	138,571,552
2022	139,365,296



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Review of Article X, Sections 16 Through 24,  
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Appendix B - Total State Revenue Exclusions

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The amounts received were coded in the state's accounting system to revenue source code 1806 - recovery costs, which is excluded from TSR. Recovery costs are defined under revenue source code 1806 as, "*all money recovered from others for costs incurred by the state or to be incurred by the state.*" The OA-BP has concluded these receipts should be excluded from TSR because the amounts represent a recovery of health care costs previously incurred or to be incurred by the state attributable to smoking.

Public information was not readily available to determine if the amounts recovered from the tobacco companies under the master settlement agreement were more or less than the health care costs incurred. For our fiscal year 2001 report, we reviewed three extensive research projects conducted by experts. We limited our analysis to Medicaid costs incurred in fiscal years 1998 through 2001. We did not consider Medicaid costs prior to fiscal year 1998. In addition, we did not consider other costs incurred by the state, such as employee health care costs attributable to smoking. These research projects showed that Medicaid costs attributable to smoking were higher than the amount the state received from the tobacco companies under the settlement agreement. As a result, in our 2001 report we concluded it was proper for the OA-BP to exclude the amounts received from the tobacco companies as a recovery cost.

A study, "Tobacco Damages to the State of Missouri" by Glenn W. Harrison, was commissioned by the Missouri Attorney General's Office for use in a lawsuit against tobacco companies filed May 12, 1997. This lawsuit was dropped because Missouri joined a consortium of states in December 1998, in the Master Settlement Agreement with the tobacco companies. As a result, the Harrison study was not fully completed. However, the draft report provided an estimate of Medicaid costs attributable to smoking for 1970 through 2007 and an estimate of state employee health care costs attributable to smoking for 1970 through 1997. This study estimates that state costs attributable to smoking were higher than the amount the state received. OA officials could not locate any current studies, but they believe continued exclusion is reasonable.

Federal Reimbursement  
Allowance and Nursing Facility  
Reimbursement Allowance

The majority of the Federal Reimbursement Allowance and the Nursing Facility Reimbursement Allowance tax imposed by the state to pay the state's share of the costs of the Medicaid program is collected by an offset against Medicaid claims, and is not directly deposited in the state treasury. As a result, this revenue is not included in TSR. This exclusion is pursuant to the Missouri Supreme Court's decision in *Kelly v. Hanson*, 984 S.W. 2d 540 (Mo. App. W.D. 1998). A small portion of the tax is not collected by an offset and is deposited in the state treasury and is, therefore, included in TSR.

Appendix C

Review of Article X, Sections 16 Through 24,  
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Schedule of Expenditure Refunds, 5 Years Ended June 30, 2022

Object Code	SAM II Expenditure Refunds	Year Ended June 30,				
		2018	2019	2020	2021	2022
3200	Bond refunds	\$ 3,961,622	16,837,636	1,016,512	339,768	180,011
3206	Deposit and escrow refunds	83,042	29,773	47,537	18,337	19,418
3213	Tax credit debt offset	82,314	69,122	12,602	96,145	141,380
3215	Debt offset refunds	7,900,327	4,503,978	4,782,452	59,168	2,165,600
3218	Motor vehicle license fee refunds	394,301	422,322	533,014	585,404	560,099
3221	Driver's license fee refunds	37,582	48,911	35,107	40,641	37,158
3227	License and permit fee refunds	1,036,462	1,011,037	1,004,134	1,093,446	1,155,001
3230	Registration fee refunds	37,878	4,876	5,026	917	67
3233	Regulatory fee refunds	23,793	42,896	31,877	17,264	15,136
3236	Inspection fee refunds	45,159	57,762	53,231	50,107	63,593
3239	Miscellaneous fee refunds	407,726	369,017	295,908	826,089	363,536
3242	Sales refunds	3,443	6,109	3,344	4,677	4,358
3245	Lease and rentals refunds	3,738	2,358	12,206	9,811	3,815
3248	Medical services refunds	9,629,754	10,248,013	11,608,121	11,643,031	10,384,612
3254	Federal refunds	230,293	523,553	419,387	3,895,939	567,699
3255	Financial institutions tax refunds	199	-	-	-	-
3257	Penalty and court award refunds	69	201	11	55	1,436
3260	Interagency billing refunds	-	-	(13)	-	-
3261	Receivable overpayment refunds	325,019	290,277	420,895	320,383	334,323
3267	Deferred revenue refunds	2,013,248	1,917,960	2,977,685	1,283,565	3,254,499
3268	Liability account refunds	-	1,735	-	-	-
3269	Other refunds	2,090,584	1,542,918	2,363,226	3,638,185	1,093,874
3281	County foreign insurance tax refunds	5,112,963	33,713,018	25,300,398	66,804,142	28,667,957
3287	Worker's compensation insurance tax refunds	51,801	250,912	410,982	142,460	21,810
3290	Worker's compensation 2nd injury insurance tax refunds	7,122	10,005	-	-	-
3291	Surplus lines insurance tax refund	119,999	54,246	44,997	90,228	23,069
3293	Cigarette tax refunds	385	15,941	21,004	27,800	23,440
3296	Tobacco products tax refunds	-	-	156	-	-
3299	Aviation fuel tax refunds	3,360	3,735	1,036	3,638	2,832
3302	Local Use Tax Refunds	-	145,000	41,145	-	-
3305	Special fuel (non-gas) tax refunds	17,597,075	16,476,400	18,925,543	19,343,037	20,974,241
3308	Fuel tax refunds	11,281,600	11,823,784	11,243,402	13,543,056	9,333,091
3317	General sales and use tax refunds	23,275,186	39,412,110	28,231,179	71,578,135	54,819,928
3326	Motor vehicle sales tax refunds	6,218,889	7,102,520	6,562,565	7,350,520	9,315,288
3329	Motor vehicle use tax refunds	697	2,151	42	63	258
3335	Boat tax refunds	3,005	3,220	2,296	3,409	1,459
3338	Individual tax refunds	1,128,602,275	983,316,541	968,408,708	1,127,470,528	961,471,287
3341	Senior citizens tax refunds	98,808,490	83,217,656	88,708,537	87,279,419	81,211,385
3344	Corporation tax refunds	161,392,989	178,463,586	139,737,534	119,020,431	198,608,938
3356	Other tax refunds	-	2,500	-	-	2,134
	Total SAM II Expenditure Refunds	\$ 1,480,782,389	1,391,943,779	1,313,261,786	1,536,579,798	1,384,822,732

Source: This appendix was prepared using expenditure refunds data obtained from the Statewide Advantage for Missouri (SAM II) system.

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# Review of Article X, Sections 16 Through 24, Constitution of Missouri

## Appendix D - Constitutional Language

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### Article X, Sections 16 through 24, Constitution of Missouri (Adopted November 4, 1980, Amended April 2, 1996)

#### TAXATION

**Section 16. Taxes and state spending to be limited--state to support certain local activities--emergency spending and bond payments to be authorized.** Property taxes and other local taxes and state taxation and spending may not be increased above the limitations specified herein without direct voter approval as provided by this constitution. The state is prohibited from requiring any new or expanded activities by counties and other political subdivisions without full state financing, or from shifting the tax burden to counties and other political subdivisions. A provision for emergency conditions is established and the repayment of voter approved bonded indebtedness is guaranteed. Implementation of this section is specified in sections 17 through 24, inclusive of this article.

**Section 17. Definitions.** As used in sections 16 through 24 of Article X:

- (1) **"Total state revenues"** includes all general and special revenues, license and fees, excluding federal funds, as defined in the budget message of the governor for fiscal year 1980-1981. Total state revenues shall exclude the amount of any credits based on actual tax liabilities or the imputed tax components of rental payments, but shall include the amount of any credits not related to actual tax liabilities.
- (2) **"Personal income of Missouri"** is the total income received by persons in Missouri from all sources, as defined and officially reported by the United States Department of Commerce or its successor agency.
- (3) **"General price level"** means the Consumer Price Index for All Urban Consumers for the United States, or its successor publications, as defined and officially reported by the United States Department of Labor, or its successor agency.

**Section 18. Limitation on taxes which may be imposed by general assembly--exclusions--refund of excess revenue--adjustments authorized.**

- (a) There is hereby established a limit on the total amount of taxes which may be imposed by the general assembly in any fiscal year on the taxpayers of this state. Effective with fiscal year 1981-1982, and for each fiscal year thereafter, the general assembly shall not impose taxes of any kind which, together with all other revenues of the state, federal funds excluded, exceed the revenue limit established in this section. The revenue limit shall be calculated for each fiscal year and shall be equal to the product of the ratio of total state revenues in fiscal year 1980-1981 divided by the personal income of Missouri in calendar year 1979 multiplied by the personal income of Missouri in either the calendar year prior to the calendar year in which appropriations for the



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Review of Article X, Sections 16 Through 24,  
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fiscal year for which the calculation is being made, or the average of personal income of Missouri in the previous three calendar years, whichever is greater.

(b) For any fiscal year in the event that total state revenues exceed the revenue limit established in this section by one percent or more, the excess revenues shall be refunded pro rata based on the liability reported on the Missouri state income tax (or its successor tax or taxes) annual returns filed following the close of such fiscal year. If the excess is less than one percent, this excess shall be transferred to the general revenue fund.

(c) The revenue limitation established in this section shall not apply to taxes imposed for the payment of principal and interest on bonds, approved by the voters and authorized under the provisions of this constitution.

(d) If responsibility for funding a program or programs is transferred from one level of government to another, as a consequence of constitutional amendment, the state revenue and spending limits may be adjusted to accommodate such change, provided that the total revenue authorized for collection by both state and local governments does not exceed that amount which would have been authorized without such change.

**(e). Voter approval required for taxes or fees, when, exceptions--definitions--compliance procedure, remedies.<sup>1</sup>**

1. In addition to the revenue limit imposed by section 18 of this article, the general assembly in any fiscal year shall not increase taxes or fees without voter approval that in total produce new annual revenues greater than either fifty million dollars adjusted annually by the percentage change in the personal income of Missouri for the second previous fiscal year, or one percent of total state revenues for the second fiscal year prior to the general assembly's action, whichever is less. In the event that an individual or series of tax or fee increases exceed the ceiling established in this subsection, the taxes or fees shall be submitted by the general assembly to a public vote starting with the largest increase in the given year, and including all increases in descending order, until the aggregate of the remaining increases and decreases is less than the ceiling provided in this subsection.

2. The term "new annual revenues" means the net increase in annual revenues produced by the total of all tax or fee increases enacted by the general assembly in a fiscal year, less applicable refunds and less all contemporaneously occurring tax or fee reductions in that same fiscal year, and shall not include interest earnings on the proceeds of the tax or fee increase. For purposes of this calculation, "enacted by the general assembly"

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<sup>1</sup> The 1996 amendment added section 18(e).





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shall include any and all bills that are truly agreed to and finally passed within that fiscal year, except bills vetoed by the governor and not overridden by the general assembly. Each individual tax or fee increase shall be measured by the estimated new annual revenues collected during the first fiscal year that it is fully effective. The term "increase taxes or fees" means any law or laws passed by the general assembly after May 2, 1996, that increase the rate of an existing tax or fee, impose a new tax or fee, or broaden the scope of a tax or fee to include additional class of property, activity, or income, but shall not include the extension of an existing tax or fee which was set to expire.

3. In the event of an emergency, the general assembly may increase taxes, licenses or fees for one year beyond the limit in this subsection under the same procedure specified in section 19 of this article.

4. Compliance with the limit in this section shall be measured by calculating the aggregate actual new annual revenues produced in the first fiscal year that each individual tax or fee change is fully effective.

5. Any taxpayer or statewide elected official may bring an action under the provisions of section 23 of this article to enforce compliance with the provisions of this section. The Missouri supreme court shall have original jurisdiction to hear any challenge brought by any statewide elected official to enforce this section. In such enforcement actions, the court shall invalidate the taxes and fees which should have received a public vote as defined in subsection 1 of this section. The court shall order remedies of the amount of revenue collected in excess of the limit in this subsection as the court finds appropriate in order to allow such excess amounts to be refunded or to reduce taxes and/or fees in the future to offset the excess monies collected.

**Section 19. Limits may be exceeded, when, how.** The revenue limit of section 18 of this article may be exceeded only if all of the following conditions are met: (1) The governor requests the general assembly to declare an emergency; (2) the request is specific as to the nature of the emergency, the dollar amount of the emergency, and the method by which the emergency will be funded; and (3) the general assembly thereafter declares an emergency in accordance with the specifics of the governor's request by a majority vote for fiscal year 1981-1982, thereafter a two-thirds vote of the members elected to and serving in each house. The emergency must be declared in accordance with this section prior to incurring any of the expenses which constitute the emergency request. The revenue limit may be exceeded only during the fiscal year for which the emergency is declared. In no event shall any part of the amount representing a refund under section 18 of this article be the subject of an emergency request.

**Section 20. Limitation on state expenses.** No expenses of state government shall be incurred in any fiscal year which exceed the sum of the revenue limit



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Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Appendix D

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established in sections 18 and 19 of this article plus federal funds and any surplus from a previous fiscal year.

**Section 21. State support to local governments not to be reduced, additional activities and services not to be imposed without full state funding.** The state is hereby prohibited from reducing the state financed proportion of the costs of any existing activity or service required of counties and other political subdivisions. A new activity or service or an increase in the level of any activity or service beyond that required by existing law shall not be required by the general assembly or any state agency of counties or other political subdivision, unless a state appropriation is made and disbursed to pay the county or other political subdivision for any increased costs.

**Section 22. Political subdivisions to receive voter approval for increases in taxes and fees--rollbacks may be required--limitation not applicable to taxes for bonds.**

(a) Counties and other political subdivisions are hereby prohibited from levying any tax, license or fees, not authorized by law, charter or self-enforcing provisions of the constitution when this section is adopted or from increasing the current levy of an existing tax, license or fees, above that current levy authorized by law or charter when this section is adopted without the approval of the required majority of the qualified voters of that county or other political subdivision voting thereon. If the definition of the base of an existing tax, license or fees, is broadened, the maximum authorized current levy of taxation on the new base in each county or other political subdivision shall be reduced to yield the same estimated gross revenue as on the prior base. If the assessed valuation of property as finally equalized, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the general price level from the previous year, the maximum authorized current levy applied thereto in each county or other political subdivision shall be reduced to yield the same gross revenue from existing property, adjusted for changes in the general price level, as could have been collected at the existing authorized levy on the prior assessed value.

(b) The limitations of this section shall not apply to taxes imposed for the payment of principal and interest on bonds or other evidence of indebtedness or for the payment of assessments on contract obligations in anticipation of which bonds are issued which were authorized prior to the effective date of this section.

**Section 23. Taxpayers may bring actions for interpretations of limitations.** Notwithstanding other provisions of this constitution or other law, any taxpayer of the state, county or other political subdivision shall have standing to bring suit in a circuit court of proper venue and additionally, when the state is involved, in the Missouri supreme court, to enforce the provisions of sections 16 through 22, inclusive, of this article and, if the suit is sustained,





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Review of Article X, Sections 16 Through 24,  
Constitution of Missouri  
Appendix D

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shall receive from the applicable unit of government his costs, including reasonable attorneys' fees incurred in maintaining such suit.

**Section 24. Voter approval requirements not exclusive--self-enforceability.**

(a) The provisions for voter approval contained in sections 16 through 23, inclusive, of this article do not abrogate and are in addition to other provisions of the constitution requiring voter approval to incur bonded indebtedness and to authorize certain taxes.

(b) The provisions contained in sections 16 through 23, inclusive, of this article are self-enforcing; provided, however, that the general assembly may enact laws implementing such provisions which are not inconsistent with the purposes of said sections.



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
July 2023

Report No. 2023-061

September 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## July 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 10 political subdivisions required to file a financial report by July 31, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the reports submitted and, accordingly, do not express an opinion or any other assurance on them.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in July 2023, after their filing deadline. The filing status for these 66 entities is presented in summary on page 3 and by individual entity in Appendixes B to D.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## July 2023

### Executive Summary

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#### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

This report includes the filing status for the 10 political subdivisions, other than cities, towns, and villages, with a fiscal year end of January 31, 2023. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 10 political subdivisions, 8 filed an annual financial report timely.

This report also includes the filing status for 66 political subdivisions, other than cities, towns, and villages, that filed their financial report in July 2023, after their filing deadline.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due July 31, 2023

Fiscal Year Ended January 31, 2023

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Buchanan	South St. Joseph Drainage & Levee District	Yes	June 21, 2023
Carroll	Carr Sal Levee District	Yes	January 5, 2023
	Eugene Township Drainage District	Yes	February 28, 2023
	Farmers Drainage and Levee District	Yes	February 7, 2023
	Wakenda Levee District	Yes	January 11, 2023
Cedar	Cedar County Memorial Hospital	No	
Jefferson	Valle Lake Sewer District	Yes	July 25, 2023
Mississippi	Consolidated DD 1 Mississippi County	Yes	July 27, 2023
Scott	North Scott Ambulance District	Yes	July 13, 2023
St. Charles	Dardenne Creek Drainage District 3	No	
Total Filed		8	
Total Not Filed		2	

Acronyms:

DD                      Drainage District

Appendix B

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due December 31, 2022

Filed in July 2023

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis City	Laurel Community Improvement District	Yes	July 10, 2023
Total Filed		1	

Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due April 30, 2023

Filed in July 2023

Fiscal Year Ended October 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Wayne	East Wayne Ambulance District	Yes	July 13, 2023
Total Filed		1	



# Appendix D

## Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2023

Filed in July 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Audrain	Laddonia & Rural FPD	Yes	July 31, 2023
	Martinsburg Area FPD	Yes	July 23, 2023
	Purdy FPD	Yes	July 21, 2023
Barry	North County FPD	Yes	July 8, 2023
Bollinger	Center State TDD	Yes	July 5, 2023
Boone	PWSD 3 Butler County	Yes	July 20, 2023
Butler	North Callaway FPD	Yes	July 23, 2023
Callaway	Central Cass County FPD	Yes	July 14, 2023
Cass	Dolan & West Dolan FPD	Yes	July 5, 2023
	Mount Pleasant FPD	Yes	July 4, 2023
	Homestead CID	Yes	July 5, 2023
Clay	North Kansas City SRD 9 Clay County	Yes	July 13, 2023
Daviess	Daviess County SRD 1	Yes	July 18, 2023
DeKalb	Clarksdale FPD	Yes	July 6, 2023
	Osborn FPD	Yes	July 27, 2023
	King City FPD	Yes	July 24, 2023
Gentry	Ash Grove FPD	Yes	July 17, 2023
Greene	Bigelow Independent SRD Holt County	Yes	July 29, 2023
Holt	Drainage District 2 Holt County	Yes	July 29, 2023
Howard	Armstrong SRD Howard County	Yes	July 7, 2023
Howell	South Howell Ambulance District	Yes	July 17, 2023
Jackson	Grain Valley Marketplace CID	Yes	July 11, 2023
	Grain Valley Mercado TDD	Yes	July 11, 2023
	Inter City FPD	Yes	July 6, 2023
Jasper	PWSD 15 Jackson County	Yes	July 28, 2023
	Duenweg Volunteer FPD	Yes	July 20, 2023
	Northeast Public Sewer District	Yes	July 5, 2023
Jefferson	Rock Creek Public Sewer District	Yes	July 27, 2023
Linn	PWSD 3 Linn-Livingston County	Yes	July 26, 2023
Miller	Tuscumbia FPD	Yes	July 19, 2023
Mississippi	Mississippi County Health Department	Yes	July 5, 2023
Newton	Diamond SRD Newton County	Yes	July 3, 2023
Oregon	Oregon County Ambulance District	Yes	July 6, 2023
	Oregon County Health Department	Yes	July 6, 2023
	Oregon County Library District	Yes	July 6, 2023
Platte	Thayer SRD Oregon County	Yes	July 6, 2023
	Drainage District 1 Platte County	Yes	July 17, 2023
	Farley SRD Platte County	Yes	July 17, 2023
Pulaski	Parkville Market Place CID	Yes	July 11, 2023
	Parkville SRD Platte County	Yes	July 17, 2023
	Platte City SRD Platte County	Yes	July 17, 2023
Pulaski	Platte County Health Department	Yes	July 1, 2023
	Weatherby Lake FPD	Yes	July 12, 2023
	Weston SRD Platte County	Yes	July 17, 2023
Pulaski	Farris Family TDD	Yes	July 13, 2023
	Pulaski County Sewer District	Yes	July 19, 2023

## Appendix D

### Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2023

Filed in July 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Ray	Levee District 1 Ray County	Yes	July 31, 2023
Saline	Saline County Health Department	Yes	July 27, 2023
Schuyler	Consolidated PWSD 1 Schuyler County	Yes	July 12, 2023
Scott	Scott County Rural FPD	Yes	July 27, 2023
Shannon	Shannon County Health Department	Yes	July 7, 2023
St. Charles	Darst Bottom Levee District	Yes	July 2, 2023
	Lake St. Louis FPD	Yes	July 11, 2023
	Wentzville Commons Connector TDD	Yes	July 27, 2023
	Wentzville Three TDD	Yes	July 5, 2023
St. Louis	Ballwin Town TDD	Yes	July 3, 2023
	Clarkson Kehrs Mill TDD	Yes	July 13, 2023
	Seven Trails Drive TDD	Yes	July 24, 2023
	St. Ann City-Wide TDD	Yes	July 25, 2023
St. Louis City	Bottle District TDD	Yes	July 12, 2023
	Laurel TDD	Yes	July 10, 2023
Stone	Hurley FPD	Yes	July 14, 2023
Texas	Texas County Memorial Hospital	Yes	July 7, 2023
Wayne	PWSD 4 Butler-Wayne County	Yes	July 5, 2023
Total Filed		64	

#### Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
PWSD	Public Water Supply District
SRD	Special Road District
TDD	Transportation Development District



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
July 2023

Report No. 2023-060

September 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## July 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by July 31, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 1 city is presented in summary on page 4 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in July 2023, after their filing deadline. The filing status for these 29 cities and 3 villages is presented in summary on page 4 and by individual entity in Appendixes B to F.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

July 2023

## Executive Summary

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### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. Rule 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires that the SAO notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and a mandatory ballot measure to dissolve the political subdivision.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



## Monthly Report on Municipal Court and Revenue Filings July 2023 Executive Summary

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This report includes the filing status for the 1 city with a fiscal year end of January 31, 2023, whose financial report was due by July 31, 2023. The municipality filed the financial report timely. The municipality was not required to file an addendum or certification.

This report includes the filing status for 29 cities and 3 villages that filed at least one of the items (financial report, addendum, or certification) in July 2023, after their filing deadline. Of these municipalities, 20 filed an annual financial report, 17 filed an addendum, and 2 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due July 31, 2023

Fiscal Year Ended January 31, 2023

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Cole	City of St. Martins	Yes	July 28, 2023	N/A	N/A
Total Filed		1		0	0
Total Not Filed		0		0	0
Total N/A		0		1	1

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.



Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2022  
Filed in July 2023

Fiscal Year Ended March 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	City of Velda Village Hills	Yes	July 24, 2023	***	***
Total Filed		1		0	0

\*\*\* Filed after September 30, 2022, but before July 2023.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in July 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Boone	City of Sturgeon	**	July 29, 2022	Yes	N/A
Carter	City of Ellsinore	Yes	July 24, 2023	Yes	N/A
Total Filed		1		2	0

\*\* Filed by December 31, 2022.

N/A Entities without a municipal judge are not required to file a certification.

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023  
Filed in July 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Jackson	City of Sugar Creek	***	May 1, 2023	Yes	Yes
Total Filed		0		1	1

\*\*\* Filed after March 31, 2023, but before July 2023.

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due May 31, 2023  
Filed in July 2023

Fiscal Year Ended November 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	City of Flordell Hills	Yes	July 5, 2023	No	**
Total Filed		1		0	0

\*\* Filed by May 31, 2023.

Appendix F  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023  
Filed in July 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Barry	City of Butterfield	**	May 23, 2023	Yes	N/A
Barton	City of Liberal	**	June 29, 2023	Yes	N/A
Bates	City of Rich Hill	Yes	July 11, 2023	Yes	N/A
Callaway	City of Fulton	**	June 30, 2023	Yes	N/A
Cass	City of East Lynne	Yes	July 18, 2023	Yes	N/A
Chariton	City of Mendon	Yes	July 2, 2023	N/A	N/A
Christian	City of Ozark	Yes	July 10, 2023	No	N/A
Henry	Village of Tightwad	Yes	July 28, 2023	N/A	N/A
Holt	City of Forest City	**	June 28, 2023	Yes	N/A
Knox	City of Baring	Yes	July 12, 2023	N/A	N/A
Lincoln	City of Elsberry	Yes	July 13, 2023	No	No
Linn	City of Laclede	Yes	July 3, 2023	No	N/A
McDonald	City of Southwest City	**	June 29, 2023	Yes	**
Madison	City of Marquand	Yes	July 5, 2023	No	N/A
New Madrid	City of Matthews	No		Yes	**
Nodaway	City of Graham	**	June 30, 2023	Yes	N/A
Pettis	City of Houstonia	Yes	July 7, 2023	Yes	N/A
Platte	City of Parkville	No		Yes	**
Polk	City of Fair Play	**	June 13, 2023	Yes	N/A
St. Charles	City of St. Charles	Yes	July 21, 2023	No	**
	City of Wentzville	Yes	July 5, 2023	**	**
	City of Dardenne Prairie	Yes	July 5, 2023	Yes	Yes
Saline	City of Miami	Yes	July 19, 2023	N/A	N/A
Schuyler	Village of Glenwood	Yes	July 26, 2023	N/A	N/A
Shannon	City of Birch Tree	Yes	July 12, 2023	**	N/A
	City of Winona	**	June 30, 2023	Yes	N/A
Vernon	Village of Milo	Yes	July 1, 2023	N/A	N/A
Total Filed		17		14	1

\*\* Filed by June 30, 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Board of Directors of Fire Protection  
Districts in St. Louis County

Certain fire protection districts are required by Section 321.690, RSMo, to be audited and to submit their audit reports to the State Auditor's Office (SAO). To address our statutory responsibilities of Section 321.690.3, RSMo, and regulatory requirements of 15 CSR 40-4.010 to 15 CSR 40-4.020, we have reviewed the independent audit reports of the fire protection districts in St. Louis County for audit periods ending December 31, 2022, submitted as of August 31, 2023. The purpose of this review was to evaluate the districts' compliance with statutory audit requirements and SAO regulations included in the Code of State Regulations. Because our review is limited to statutory and regulatory compliance, we do not express an opinion or any other form of assurance on the audit reports.

There are 23 fire protection districts in St. Louis County. Each district has a fiscal year end of December 31. All of the districts, except for Kinloch, Northeast Ambulance, and Robertson, submitted audit reports for the year ended December 31, 2022. Section 321.690.2, RSMo, requires certain fire protection districts to have an audit performed biennially, and Section 321.690.3, RSMo, requires the districts to forward the audit report to our office within 6 months of fiscal year end. The Kinloch, Northeast Ambulance, and Robertson districts did not timely obtain the required independent audits for the year ended December 31, 2022. However, the Northeast Ambulance and Robertson districts have engaged independent auditors to perform an audit for that period and the Kinloch district confirmed an audit will be pursued once the audit for the year ended December 31, 2021, is completed. Upon completion of the audits, the districts are expected to submit the reports to the SAO.

As noted in our prior report, No. 2022-083, *St. Louis County Fire Protection Districts*, issued in September 2022, the districts of Kinloch and Northeast Ambulance did not timely obtain the required independent audits for the year ended December 31, 2021; these reports have still not been completed and submitted to the SAO. However, the districts have engaged independent auditors to perform an audit for that period. Upon completion of the audits, the districts are expected to submit the reports to the SAO.

The SAO posts the individual audit reports to the office's website. A searchable link is available at <https://auditor.mo.gov>. A table summarizing our review of the submitted audit reports follows.

District	Audit Report Period	Report Complied with Section 321.690.3, RSMo	Findings in Independent Audit Report
Affton	1 Year Ended 12/31/2022	Yes	No
Black Jack	1 Year Ended 12/31/2022	Yes	No
Community	1 Year Ended 12/31/2022	Yes	No
Creve Coeur	1 Year Ended 12/31/2022	Yes	No
Eureka	1 Year Ended 12/31/2022	Yes	Yes
Fenton	1 Year Ended 12/31/2022	Yes	No
Florissant Valley	1 Year Ended 12/31/2022	Yes <sup>1</sup>	Yes
Kinloch <sup>2</sup>		No	Not Applicable
Lemay	1 Year Ended 12/31/2022	Yes	No
Maryland Heights	1 Year Ended 12/31/2022	Yes	No
Mehlville	1 Year Ended 12/31/2022	Yes	No
Metro North	1 Year Ended 12/31/2022	Yes	No
Metro West	1 Year Ended 12/31/2022	Yes	No
Mid-County	1 Year Ended 12/31/2022	Yes <sup>1</sup>	Yes
Monarch	1 Year Ended 12/31/2022	Yes	No
North County Fire & Rescue	1 Year Ended 12/31/2022	Yes	No
Northeast Ambulance <sup>2</sup>		No	Not Applicable
Pattonville	1 Year Ended 12/31/2022	Yes <sup>1</sup>	Yes
Robertson		No	Not Applicable
Spanish Lake	1 Year Ended 12/31/2022	Yes	No
Valley Park	1 Year Ended 12/31/2022	Yes	No
West County EMS	1 Year Ended 12/31/2022	Yes	No
West Overland EMS	1 Year Ended 12/31/2022	Yes	No

<sup>1</sup> The district filed the audit report after the statutory deadline of 6 months after the close of the fiscal year end.

<sup>2</sup> The district still has not obtained or submitted the required audit report for the year ended December 31, 2021, as indicated in our prior report, No. 2022-083, *St. Louis County Fire Protection Districts*, issued in September 2022.

Except for the districts of Kinloch, Northeast Ambulance, and Robertson failing to obtain and submit an audit report, we identified no other concerns from our review of the audit reports submitted by the St. Louis County fire protection districts.



Scott Fitzpatrick  
State Auditor



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Board of Directors of Fire Protection  
Districts in Greene County

Certain fire protection districts are required by Section 321.690, RSMo, to be audited and to submit their audit reports to the State Auditor's Office (SAO). To address our statutory responsibilities of Section 321.690.3, RSMo, and regulatory requirements of 15 CSR 40-4.010 to 15 CSR 40-4.020, we have reviewed the independent audit reports of the fire protection districts in Greene County for audit periods ending December 31, 2022, submitted as of August 31, 2023. The purpose of this review was to evaluate the districts' compliance with statutory audit requirements and SAO regulations included in the Code of State Regulations. Because our review is limited to statutory and regulatory compliance, we do not express an opinion or any other form of assurance on the audit reports.

There are 11 fire protection districts in Greene County. Each district has a fiscal year end of December 31. All of the districts except for Brookline submitted audit reports for the year or 2 years ended December 31, 2022, when required. Section 321.690.2, RSMo, requires certain fire protection districts to have an audit performed biennially, and Section 321.690.3, RSMo, requires the districts to forward the audit report to our office within 6 months of fiscal year end. Some of the districts were not required to submit a report in 2023, because they obtain biennial audits and the most recent audit report submitted was for the 2 years ended December 31, 2021. These districts are expected to submit a biennial audit report for the 2 years ended December 31, 2023. The Brookline district did not timely obtain the required independent audit for the 2 years ended December 31, 2022. However, the district has engaged independent auditors to perform an audit for that period. Upon completion of the audit, the district is expected to submit the report to the SAO.

As noted in our prior report, No. 2022-078, *Greene County Fire Protection Districts*, issued in September 2022, the district of Ash Grove did not timely obtain the required independent audit for the 2 years ended December 31, 2021. The SAO received the audit report on August 16, 2023, subsequent to that review.

The SAO posts the individual audit reports to the office's website. A searchable link is available at <https://auditor.mo.gov>. A table summarizing our review of the submitted audit reports follows.



District	Audit Report Period	Report Complied with Section 321.690.3, RSMo	Findings in Independent Audit Report
Ash Grove <sup>1</sup>	Not Applicable <sup>2</sup>		
Battlefield	1 Year Ended 12/31/22	Yes	No
Bois D'Arc	Not Applicable <sup>2</sup>		
Brookline		No	Not Applicable
Ebenezer	Not Applicable <sup>2</sup>		
Fair Grove	2 Years Ended 12/31/22	Yes	No
Logan-Rogersville	2 Years Ended 12/31/22	Yes	No
Strafford	2 Years Ended 12/31/22	Yes	No
Walnut Grove	1 Year Ended 12/31/22	Yes	Yes
West Republic	2 Years Ended 12/31/22	Yes	No
Willard	1 Year Ended 12/31/22	Yes	No

<sup>1</sup> Due to noncompliance in a previous period, the SAO reviewed the audit report for the 2 years ended December 31, 2021, submitted August 16, 2023. The audit report had audit findings and was in compliance with Section 321.690.3, RSMo, except for being filed after the statutory deadline.

<sup>2</sup> The fire protection district had an independent audit for the 2 years ended December 31, 2021. The district's next audit is expected to cover the 2 years ended December 31, 2023, and is required to be submitted to the SAO no later than June 30, 2024.

Except for the district of Brookline failing to obtain and submit an audit report, we identified no other concerns from our review of the audit reports submitted by the Greene County fire protection districts.



Scott Fitzpatrick  
State Auditor



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Members of the Supreme Court of Missouri  
and  
Kathy S. Lloyd, State Courts Administrator  
Office of State Courts Administrator  
Jefferson City, Missouri

We completed audit work at the Office of State Courts Administrator (OSCA) as part of our annual statewide audit of the State of Missouri's financial statements for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the OSCA during the audit and the audit results.

### **Statewide Financial Statement Audit and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

### **Financial Statement Audit Work at the OSCA**

For the OSCA, we audited \$128.9 million in revenue activity for the Basic Civil Legal Services Fund.

### **Audit Results and Findings at the OSCA**

Our responsibility for the statewide financial statement audit is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the OSCA.

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

We are required by the audit standards to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; and/or fraud. The reports issued reported no audit findings related to the audit procedures performed at the OSCA.

A handwritten signature in black ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable John R. (Jay) Ashcroft, Secretary of State  
Jefferson City, Missouri

We completed audit work at the Office of Secretary of State (SOS) as part of our annual statewide audit of the State of Missouri's financial statements for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the SOS during the audit and the audit results.

### **Statewide Financial Statement Audit and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

### **Financial Statement Audit Work at the SOS**

For the SOS, we audited an accounts receivable balance (and related deferred inflows of resources) of \$19.4 million for the State School Moneys Fund.

### **Audit Results and Findings at the SOS**

Our responsibility for the statewide financial statement audit is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the SOS.

We are required by the audit standards to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; and/or fraud.

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

We reported an audit finding related to the SOS's internal controls over financial reporting.

- Office of Secretary of State Financial Reporting Controls (Finding No. FS2022-006) - The SOS did not have adequate controls and procedures over financial reporting of accounts receivable. As a result, civil penalty accounts receivable data submitted to the OA for inclusion in the financial statements for the year ended June 30, 2022, was misstated. If the resulting misstatements had not been identified during the audit, Government Wide - Governmental Activities and Public Education Fund net accounts receivable and related liability balances would have been overstated by at least \$9.7 million in the financial statements.

The SOS disagreed with the audit finding. The audit finding and the SOS's response, including explanation and specific reasons for disagreement, are included in our Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters (Report No. 2023-022) and the SOS's Corrective Action Plan is included in the Single Audit Report (Report No. 2023-030).

A handwritten signature in dark ink, reading "Kim Spraggs". The signature is fluid and cursive, with the first name "Kim" and last name "Spraggs" clearly legible.

Kim Spraggs, CPA, CGAP  
Director of Audits



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Vivek Malek, State Treasurer  
Jefferson City, Missouri

We completed audit work at the Office of State Treasurer (STO) as part of our annual statewide audit of the State of Missouri's financial statements for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the STO during the audit and the audit results.

### **Statewide Financial Statement Audit and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

### **Financial Statement Audit Work at the STO**

For the STO, we audited more than \$12.4 billion in cash and investment balances in various funds. In addition, we audited \$115 million in revenue activity for the Abandoned Fund Account (Unclaimed Property) Fund.

### **Audit Results and Findings at the STO**

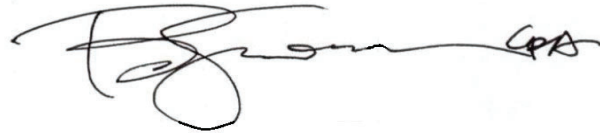
Our responsibility for the statewide financial statement audit is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the STO.

We are required by the audit standards to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

grant agreements; and/or fraud. The reports issued reported no audit findings related to the audit procedures performed at the STO.

A handwritten signature in black ink, appearing to read "R. Showers CPA", with a stylized flourish at the end.

Robert E. Showers, CPA, CGAP  
Director of Audits



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Robert J. Knodell, Director  
Department of Social Services  
Jefferson City, Missouri

We completed audit work at the Department of Social Services (DSS) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DSS during these audits and the audit results.

**Statewide Audits and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.



award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the DSS**

For the DSS, we audited financial activities and balances totaling more than \$20.1 billion for the following significant accounts:

#### **General Revenue Fund:**

- \$2.1 billion in expenditure activity
- an accounts receivable balance (and related deferred inflows of resources) of \$4 million

#### **Pharmacy Rebates Fund:**

- an accounts receivable balance (and related deferred inflows of resources) of \$56 million

#### **Third Party Liability Collection Fund:**

- an accounts receivable balance (and related deferred inflows of resources) of \$3 million

#### **Federal Reimbursement Allowance Fund:**

- \$1.9 billion in revenue activity
- \$3 billion in expenditure activity

#### **Title XIX Federal and Other Fund:**

- \$4.9 billion in revenue activity
- \$4.9 billion in expenditure activity
- an accounts receivable balance (and related deferred inflows of resources) of \$142 million

#### **Federal Medical Assistance Percentage (FMAP) Enhancement Fund:**

- \$744 million in revenue activity

#### **Nursing Facility Federal Reimbursement Allowance Fund:**

- \$317 million in revenue activity
- \$310 million in expenditure activity

#### **Title XIX Adult Expansion Federal Fund:**

- \$408 million in expenditure activity

#### **Department of Social Services Federal and Other Fund:**

- \$668 million in revenue activity
- \$611 million in expenditure activity
- an accounts payable balance of \$23 million
- an accounts receivable balance of \$23 million

Department of Social Services Educational Improvement Fund:

- an accounts receivable balance (and related deferred inflows of resources) of \$3 million

In addition, we audited Medical Assistance Payments survey data totaling \$10.6 billion for various funds, and food stamps distributions of \$1.6 billion.

### **Single Audit Work at the DSS**

The DSS reported federal award expenditures totaling \$12.9 billion for fiscal year 2022. We audited, as major, 7 programs with expenditures totaling \$12.1 billion: the Pandemic Electronic Benefit Transfer (EBT) Food Benefits program, the Supplemental Nutrition Assistance Program (SNAP) Cluster, the Rehabilitation Services Vocational Rehabilitation Grants to States (VR) program,<sup>2</sup> the Community Services Block Grant program, the Social Services Block Grant (SSBG) program, the Children's Health Insurance Program (CHIP), and the Medicaid Cluster.<sup>3</sup>

### **Audit Results and Findings at the DSS**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DSS. The Single Audit reported material noncompliance with direct and material compliance requirements for the CHIP and Medicaid Cluster, and no material noncompliance for the other major programs audited at the DSS.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000.

We reported 3 audit findings related to the DSS's internal controls over financial reporting.

- Department of Social Services Financial Reporting Controls - Medicaid Payments (Finding No. FS2022-002) - The DSS - MO HealthNet Division (MHD) did not have adequate controls and procedures over financial reporting of Medicaid payment data. As a result, Medicaid payment data submitted to the OA and used to estimate Medicaid accounts receivable and payable for inclusion in the financial statements for the year ended June 30, 2022, was misstated. If the misstatements had not been identified during the audit, Government Wide - Governmental Activities and General Fund accounts receivable would have been understated by approximately \$23 million and accounts payable would have been understated by approximately \$60 million in the financial statements.
- Department of Social Services Financial Reporting Controls - Medicaid Accounts Receivable (Finding No. FS2022-003) - The MHD did not have adequate controls and procedures over financial reporting of Medicaid drug rebate accounts receivable. As a result, data submitted to the OA for inclusion in the financial statements for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, Government Wide - Governmental Activities and General Fund net accounts receivable and related liability balances would have been overstated by approximately \$30.6 million in the financial statements.

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<sup>2</sup> The VR program is administered by both the DSS and the Department of Elementary and Secondary Education.

<sup>3</sup> The Medicaid Cluster includes the Medical Assistance Program (Medicaid), the State Medicaid Fraud Control Units program, and the State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare program.

- Department of Social Services Financial Reporting Controls - Accounts Payable (Finding No. FS2022-004) - The DSS - Division of Finance and Administrative Services (DFAS) did not have adequate controls and procedures over financial reporting of accounts payable. As a result, accounts payable data submitted to the OA for inclusion in the financial statements for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, Government Wide - Governmental Activities and General Fund accounts payable would have been overstated by approximately \$5.9 million in the financial statements.

The audit findings and the DSS's responses are included in our Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters (Report No. 2023-022); and the DSS's Corrective Action Plans are included in the Single Audit Report (Report No. 2023-030).

We reported 6 audit findings related to the DSS's administration of federal awards.

- Medicaid National Correct Coding Initiative (Finding No. 2022-001) - As noted in our 2 previous audits, the MHD had not fully implemented the Medicaid National Correct Coding Initiative edits in the Medicaid Management Information System as required by 42 USC 1396b(r).
- Medicaid and CHIP MAGI-Based Participant Eligibility (Finding No. 2022-002) - As noted in our 3 previous audits, the DSS did not have sufficient controls to ensure compliance with the eligibility requirements of the Medicaid and the CHIP for certain participants whose eligibility is based on their Modified Adjusted Gross Income (MAGI). The DSS did not correct manual system overrides for some MAGI-based participants, preventing their cases from being closed when necessary.
- Medicaid and CHIP Eligibility Determination Timeliness (Finding No. 2022-003) - The DSS did not perform eligibility determinations within required timeframes for participants of the Medicaid and the CHIP. The DSS did not meet timeliness requirements for 40 of 115 new enrollment participants reviewed. The late determinations were made 2 to 144 days after the required 45 or 90-day requirement, and averaged 68 days late.
- Department of Social Services Cost Allocation (Finding No. 2022-004) - DFAS controls and procedures to allocate some administrative costs to federal programs were not sufficient to prevent and/or detect errors. For the year ended June 30, 2022, costs totaling approximately \$38.5 million were incorrectly allocated to 6 programs. As a result, approximately \$10.2 million (federal share) was allocated to state funding, that could have been allocated to federal funding for 4 programs.
- Pandemic Electronic Benefit Transfer (EBT) Food Benefits (Finding No. 2022-005) - DSS controls over the Pandemic EBT Food Benefits program were insufficient to prevent improper benefit issuances on behalf of school children. The audit sample of payments for 60 school children noted the DSS issued benefits on behalf of one ineligible child and made overpayments on behalf of another child.
- DSS FFATA Reporting (Finding No. 2022-006) - As similarly noted in our previous audit, the DFAS needed to strengthen internal controls related to Federal Funding Accountability and Transparency Act (FFATA) reporting. During state fiscal year 2022, the DFAS did not comply with FFATA reporting requirements for any of the subawards reviewed for the SSBG program.

The DSS partially agreed or disagreed with one or more of the audit findings. The audit findings and the DSS's responses and Corrective Action Plans, including explanation and specific reasons for disagreement, are included in the Single Audit Report (Report No. 2023-030).

A handwritten signature in dark ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Wayne Wallingford, Director  
Department of Revenue  
Jefferson City, Missouri

We completed audit work at the Department of Revenue (DOR) as part of our annual statewide audit of the State of Missouri's financial statements for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DOR during the audit and the audit results.

### Statewide Financial Statement Audit and Methodology

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

### Financial Statement Audit Work at the DOR

For the DOR, we audited financial activities and balances totaling \$40 billion for the following significant accounts:

#### General Revenue Fund:

- \$14.1 billion in revenue activity
- \$1.4 billion in expenditure activity
- an accounts receivable balance (and related deferred inflows of resources) of \$4.6 billion
- an accounts payable balance of \$366 million

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

Motor Fuel Tax Fund:

- \$811 million in revenue activity
- \$205 million in expenditure activity

Gaming Proceeds for Education Fund:

- \$360 million in revenue activity

School District Trust Fund:

- \$1.1 billion in revenue activity
- an accounts receivable balance (and related deferred inflows of resources) of \$178 million

Conservation Commission Fund:

- \$148 million in revenue activity

Parks Sales Tax Fund:

- \$59 million in revenue activity

Soil and Water Sales Tax Fund:

- \$59 million in revenue activity

DOR Custodial Funds:

- asset balances of \$1.4 billion
- \$7.7 billion in revenue activity
- \$7.5 billion in expenditure activity

## **Audit Results and Findings at the DOR**

Our responsibility for the statewide financial statement audit is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DOR. We expressed qualified opinions on the governmental activities and the General Fund because we were not allowed access to tax returns and related source documents for income taxes at the DOR.

We are required by the audit standards to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; and/or fraud.

We reported an audit finding related to the DOR's internal controls over financial reporting.

- Department of Revenue Financial Reporting Controls (Finding No. FS2022-001) - The DOR did not have adequate controls and procedures over financial reporting of certain governmental and custodial fund financial activities. If not for calculation errors discovered by the audit, the Government Wide - Governmental Activities and General Fund net accounts receivable and related liability balances would have been overstated by approximately \$75 million in the financial statements for the year ended June 30, 2022. Auditors also found several other calculation errors that resulted in both the overstatement and understatement of various balances.

The audit finding and the DOR's response are included in our Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters (Report No. 2023-022) and the DOR's Corrective Action Plan is included in the Single Audit Report (Report No. 2023-030).

A handwritten signature in dark ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Missouri Veterans Commission  
and  
Sandy Karsten, Director  
Department of Public Safety  
and  
Paul Kirchhoff, Executive Director  
Missouri Veterans Commission  
Jefferson City, Missouri

We completed audit work at the Department of Public Safety - Missouri Veterans Commission (DPS-MVC) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DPS-MVC during these audits and the audit results.

### Statewide Audits and Methodology

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.



U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the DPS-MVC**

For the DPS-MVC, we audited \$52 million in expenditure activity for the Missouri Veterans Homes Fund.

### **Single Audit Work at the DPS-MVC**

The DPS-MVC reported federal award expenditures totaling \$54.8 million for fiscal year 2022. We audited, as major, the Veterans State Nursing Home Care program with expenditures of \$51 million.

### **Audit Results and Findings at the DPS-MVC**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DPS-MVC. The Single Audit reported no material noncompliance with direct and material compliance requirements for the major program audited at the DPS-MVC.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000. The reports issued reported no audit findings related to the audit procedures performed at the DPS-MVC.



Kim Spraggs, CPA, CGAP  
Director of Audits



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Dru Buntin, Director  
Department of Natural Resources  
Jefferson City, Missouri

We completed audit work at the Department of Natural Resources (DNR) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DNR during these audits and the audit results.

**Statewide Audits and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the DNR**

For the DNR, we audited \$114 million in revenue activity, \$53 million in expenditure activity, and a loans receivable balance of \$1.4 billion for the Water & Wastewater Loan Revolving Fund; \$67 million in revenue activity and \$66 million in expenditure activity for the Water & Wastewater Loan Fund; \$33 million in expenditure activity for the Parks Sales Tax Fund; \$48 million in expenditure activity for the Soil and Water Sales Tax Fund; and a capital assets balance of \$155 million for the State Parks Earnings Fund.

### **Single Audit Work at the DNR**

The DNR reported federal award expenditures totaling \$106 million for fiscal year 2022. No programs at the DNR were assessed as high risk; therefore, no programs were audited as major. We performed limited audit procedures related to risk assessments and the SEFA.

### **Audit Results and Findings at the DNR**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DNR. The Single Audit reported no material issues related to the limited work performed at the DNR.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000.

We reported an audit finding related to the DNR's internal controls over financial reporting.

- Department of Natural Resources Financial Reporting Controls (Finding No. FS2022-005) - The DNR did not have adequate controls and procedures over financial reporting of loans receivable. As a result, the loans receivable balance submitted to the OA for inclusion in the financial statements for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, the Government Wide - Governmental Activities and Conservation and Environmental Protection Fund loans receivable balance would have been overstated by approximately \$27.5 million in the financial statements.

The audit finding and the DNR's response are included in our Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters (Report No. 2023-022) and the DNR's Corrective Action Plan is included in the Single Audit Report (Report No. 2023-030).

A handwritten signature in dark ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Mental Health Commission  
and  
Valerie Huhn, Director  
Department of Mental Health  
Jefferson City, Missouri

We completed audit work at the Department of Mental Health (DMH) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DMH during these audits and the audit results.

**Statewide Audits and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the DMH**

For the DMH, we audited \$1.7 billion in revenue activity and \$1.4 billion in expenditure activity for the DMH - Federal Fund, and \$970 million in expenditure activity for the General Revenue Fund.

### **Single Audit Work at the DMH**

The DMH reported federal award expenditures totaling \$107.2 million for fiscal year 2022. We audited, as major, the Block Grants for Prevention and Treatment of Substance Abuse program with expenditures of \$38.1 million. We also performed audit procedures related to the DMH's cooperative agreements with the Department of Social Services (DSS) for the Medicaid Cluster, a major program at the DSS.

### **Audit Results and Findings at the DMH**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DMH. The Single Audit reported no material noncompliance with direct and material compliance requirements for the major programs audited at the DMH.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000. The reports issued reported no audit findings related to the audit procedures performed at the DMH.



Kim Spraggs, CPA, CGAP  
Director of Audits



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Anna S. Hui, Director  
Department of Labor and Industrial Relations  
Jefferson City, Missouri

We completed audit work at the Department of Labor and Industrial Relations (DOLIR) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DOLIR during these audits and the audit results.

### Statewide Audits and Methodology

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.



award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the DOLIR**

For the DOLIR, we audited \$431 million in revenue activity, \$256 million in expenditure activity, a cash balance of \$754 million, an accounts receivable balance of \$128 million, and an accounts payable balance of \$47 million for the Unemployment Compensation Fund. In addition, we audited \$69 million in expenditure activity and a long-term liabilities balance of \$2.3 billion for the Workers Compensation - Second Injury Fund.

### **Single Audit Work at the DOLIR**

The DOLIR reported federal award expenditures totaling \$326 million for fiscal year 2022. No programs at the DOLIR were assessed as high risk; therefore, no programs were audited as major. We performed limited audit procedures related to risk assessments and the SEFA.

### **Audit Results and Findings at the DOLIR**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DOLIR. The Single Audit reported no material issues related to the limited work performed at the DOLIR.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000.

We reported an audit finding related to the DOLIR's internal controls over financial reporting.

- Department of Labor and Industrial Relations Financial Reporting Controls (Finding No. FS2022-007) - The DOLIR did not have adequate controls and procedures over financial reporting of Unemployment Compensation Fund financial activities. As a result, some balances submitted to the OA for inclusion in the financial statements for the year ended June 30, 2022, were misstated, including an overstatement of the net position balance by approximately \$8 million. In addition, the financial reports were not submitted timely to the OA.



The audit finding and the DOLIR's response are included in our Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters (Report No. 2023-022) and the DOLIR's Corrective Action Plan is included in the Single Audit Report (Report No. 2023-030).

A handwritten signature in dark ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Coordinating Board for Higher Education  
and  
Dr. Bennett Boggs, Commissioner  
Department of Higher Education and Workforce Development  
Jefferson City, Missouri

We completed audit work at the Department of Higher Education and Workforce Development (DHEWD) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DHEWD during these audits and the audit results.

**Statewide Audits and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the DHEWD**

For the DHEWD, we audited \$849.8 million in expenditure activity for the General Revenue Fund.

### **Single Audit Work at the DHEWD**

The DHEWD reported federal award expenditures totaling \$101.5 million for fiscal year 2022. No programs at the DHEWD were assessed as high risk; therefore, no programs were audited as major. We performed limited audit procedures related to risk assessments and the SEFA.

### **Audit Results and Findings at the DHEWD**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DHEWD. The Single Audit reported no material issues related to the limited work performed at the DHEWD.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000. The reports issued reported no audit findings related to the audit procedures performed at the DHEWD.



Kim Spraggs, CPA, CGAP  
Director of Audits



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Paula F. Nickelson, Director  
Department of Health and Senior Services  
Jefferson City, Missouri

We completed audit work at the Department of Health and Senior Services (DHSS) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DHSS during these audits and the audit results.

**Statewide Audits and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the DHSS**

For the DHSS, we audited \$1 billion in revenue activity, \$984 million in expenditure activity, and an accounts payable balance of \$23 million for the DHSS - Federal and Other Funds Fund; and \$389 million in expenditure activity for the General Revenue Fund.

### **Single Audit Work at the DHSS**

The DHSS reported federal award expenditures totaling \$620 million for fiscal year 2022. We audited, as major, 4 programs with expenditures totaling \$297 million: the WIC Special Supplemental Nutrition Program for Women, Infants, and Children program; the Immunization Cooperative Agreements program; the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) program; and the HIV Care Formula Grants program. We also performed audit procedures related to the DHSS's cooperative agreements with the Department of Social Services (DSS) for the Medicaid Cluster, a major program at the DSS.

### **Audit Results and Findings at the DHSS**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DHSS. The Single Audit reported no material noncompliance with direct and material compliance requirements for the major programs audited at the DHSS.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000.

We reported 2 audit findings related to the DHSS's administration of federal awards.

- Medicaid Facility Survey Timeliness (Finding No. 2022-007) - As similarly noted in our prior audit report, the Section for Long-Term Care Regulations did not perform facility survey procedures within timeframes required by the State Operations Manual.
- ELC Program Subrecipient Monitoring (Finding No. 2022-008) - As similarly noted in our prior audit report, the Division of Community and Public Health did not adequately monitor ELC program subrecipient contracts in accordance with the DHSS's monitoring plan.

The audit findings and the DHSS's responses and Corrective Action Plans are included in the Single Audit Report (Report No. 2023-030).

A handwritten signature in black ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
State Board of Education  
and  
Dr. Margie Vandeven, Commissioner  
Department of Elementary and Secondary Education  
Jefferson City, Missouri

We completed audit work at the Department of Elementary and Secondary Education (DESE) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DESE during these audits and the audit results.

### Statewide Audits and Methodology

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the DESE**

For the DESE, we audited financial activities and balances totaling more than \$8.3 billion for the following significant accounts:

#### **General Revenue Fund:**

- \$2.6 billion in expenditure activity

#### **Department of Elementary and Secondary Education Fund:**

- \$1.1 billion in revenue activity
- \$1.1 billion in expenditure activity
- an accounts payable balance of \$113 million
- an accounts receivable balance of \$113 million

#### **Outstanding Schools Trust Fund:**

- \$837 million in expenditure activity

#### **Lottery Proceeds Fund:**

- \$180 million in expenditure activity

#### **Schools District Trust Fund:**

- \$1.1 billion in expenditure activity

#### **Classroom Trust Fund:**

- \$350 million in expenditure activity

#### **DESE Federal Emergency Relief Fund:**

- \$485 million in expenditure activity
- an accounts payable balance of \$46 million
- an accounts receivable balance of \$46 million

#### **DESE Federal Emergency Relief 2021 Fund:**

- an accounts payable balance of \$55 million
- an accounts receivable balance of \$55 million

### **Single Audit Work at the DESE**

The DESE reported federal award expenditures totaling \$2.2 billion for fiscal year 2022. We audited, as major, 3 programs with expenditures totaling \$932 million: the Rehabilitation Services Vocational



Rehabilitation Grants to States (VR)<sup>2</sup> program, the Social Security Disability Insurance program, and the Education Stabilization Fund (ESF) program.<sup>3</sup>

### **Audit Results and Findings at the DESE**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DESE. The Single Audit reported no material noncompliance with direct and material compliance requirements for the major programs audited at the DESE.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000.

We reported an audit finding related to the DESE's administration of federal awards.

- DESE FFATA Reporting (Finding No. 2022-009) - The DESE needed to strengthen internal controls related to Federal Funding Accountability and Transparency Act (FFATA) reporting for the ESF. As similarly noted in the previous audit, during state fiscal year 2022, the DESE did not comply with FFATA reporting requirements for any of the subawards reviewed for the GEER Fund or the Emergency Assistance for Non-Public Schools program. In addition, the DESE had not made corrections and resubmitted state fiscal year 2021 FFATA reports for the GEER Fund grants, but was working with the federal government to address the technical issues within the federal reporting system preventing the correction and resubmission of the 2021 FFATA reports.

The audit finding and the DESE's response and Corrective Action Plan are included in the Single Audit Report (Report No. 2023-030).



Kim Spraggs, CPA, CGAP  
Director of Audits

September 2023  
Report No. 2023-046

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<sup>2</sup> The VR program is administered by both the DESE and the Department of Social Services.

<sup>3</sup> One ESF program grant, the Governor's Emergency Education Relief (GEER) Fund, is administered by both the DESE and the Department of Higher Education and Workforce Development.



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Michelle Hataway, Acting Director  
Department of Economic Development  
Jefferson City, Missouri

We completed audit work at the Department of Economic Development (DED) as part of our annual statewide audit of the State of Missouri's federal awards for the fiscal year ended June 30, 2022. We issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DED during the audit and the audit results.

### Statewide Single Audit and Methodology

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### Single Audit Work at the DED

The DED reported federal award expenditures totaling \$441.8 million for fiscal year 2022. We audited, as major, 3 programs with expenditures totaling \$435.3 million: the Emergency Rental Assistance program, the Homeowner Assistance Fund program, and the Community Development Block Grant program.

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<sup>1</sup> The Single Audit Report is available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

## **Audit Results and Findings at the DED**

Our responsibility for the statewide Single Audit is limited to the previously stated objectives. The Single Audit reported no material noncompliance with direct and material compliance requirements for the major programs audited at the DED.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of federal statutes, regulations, and terms and conditions of federal awards; and/or known or likely questioned costs greater than \$25,000. The report issued reported no audit findings related to the audit procedures performed at the DED.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Anne L. Precythe, Director  
Department of Corrections  
Jefferson City, Missouri

We completed audit work at the Department of Corrections (DOC) as part of our annual statewide audit of the State of Missouri's financial statements for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the DOC during the audit and the audit results.

### **Statewide Financial Statement Audit and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

### **Financial Statement Audit Work at the DOC**

For the DOC, we audited \$21.1 million in revenue activity and \$19.9 million in expenditure activity for the Working Capital Revolving Fund, and \$659.8 million in expenditure activity for the General Revenue Fund.

### **Audit Results and Findings at the DOC**

Our responsibility for the statewide financial statement audit is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the DOC.

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

We are required by the audit standards to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; and/or fraud. The reports issued reported no audit findings related to the audit procedures performed at the DOC.

A handwritten signature in black ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Conservation Commission  
and  
Sara Parker Pauley, Director  
Missouri Department of Conservation  
Jefferson City, Missouri

We completed audit work at the Missouri Department of Conservation (MDC) as part of our annual statewide audit of the State of Missouri's financial statements for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the MDC during the audit and the audit results.

**Statewide Financial Statement Audit and Methodology**

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

**Financial Statement Audit Work at the MDC**

For the MDC, we audited \$88.8 million in revenue activity and \$178.2 million in expenditure activity for the Conservation Commission Fund.

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.

## **Audit Results and Findings at the MDC**

Our responsibility for the statewide financial statement audit is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the MDC.

We are required by the audit standards to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; and/or fraud. The reports issued reported no audit findings related to the audit procedures performed at the MDC.

A handwritten signature in dark ink, reading "Kim Spraggs". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Kim Spraggs, CPA, CGAP  
Director of Audits



## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Kenneth J. Zellers, Commissioner  
Office of Administration  
Jefferson City, Missouri

We completed audit work at the Office of Administration (OA) as part of our annual statewide audits of the State of Missouri's financial statements and federal awards for the fiscal year ended June 30, 2022. We issued audit reports (Report Nos. 2023-010 and 2023-022) of the state's Annual Comprehensive Financial Report, in March and May 2023; and issued the Single Audit Report (Report No. 2023-030), in July 2023.<sup>1</sup> The purpose of this letter is to summarize, and communicate to stakeholders, the audit work performed at the OA during these audits and the audit results.

### Statewide Audits and Methodology

We conducted the annual financial statement audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statement audit includes, among other things, expressing an opinion on whether the state's financial statements are fairly presented, in all material respects. The Office of Administration (OA) prepared the Annual Comprehensive Financial Report (financial statements) from various sources including the statewide accounting (SAM II) system and survey data received from state agencies and offices. The state's financial statements covered \$57 billion in total assets and \$34 billion in total expenses for fiscal year 2022. To satisfy our audit objectives, we evaluated and identified the accounts significant to each opinion unit within the state's financial statements and performed various audit procedures, including reviews of internal controls for each of those accounts. For fiscal year 2022, our financial statement audit included work at the OA and 14 other state agencies and offices. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the financial statement audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

We conducted the annual Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit includes, among other things, expressing an opinion on whether the state complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs. The state's Schedule of Expenditures of Federal Awards (SEFA), which did not include federal

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<sup>1</sup> Audit reports are available at: <<https://auditor.mo.gov/AuditReport/Menu>>.



award expenditures of the public universities and other component units, reported the state expended \$18.4 billion in federal funds for 311 programs in fiscal year 2022. We performed risk assessments on each of the state's 40 Type A programs (programs with federal award expenditures more than \$30 million) and 26 larger Type B programs (programs with federal award expenditures between \$7.5 million and \$30 million) and audited (as major) each program assessed as high risk in accordance with the Uniform Guidance. For each major program, we performed various audit procedures, including testing and reviews of internal control over compliance requirements that could have a direct and material effect on the program. For fiscal year 2022, our Single Audit included 19 major federal programs with expenditures totaling \$13.9 billion, administered by 7 state agencies.

### **Financial Statement Audit Work at the OA**

We audited certain significant accounts specific to OA operations. For the OA, we audited expenditure activity totaling \$138 million, including \$58 million for the State Facility Maintenance and Operating Fund, and \$80 million for the Missouri Revolving Information Technology Trust Fund; and revenue activity totaling \$2.8 billion, including \$2.7 billion for the Coronavirus State Fiscal Recovery Fund and \$94 million for the Missouri Revolving Information Technology Trust Fund.

### **Single Audit Work at the OA**

The OA reported federal award expenditures totaling \$191 million for fiscal year 2022. We audited, as major, the Coronavirus State and Local Fiscal Recovery Funds program with expenditures of \$41 million.

### **Audit Results and Findings at the OA**

Our responsibility for the statewide audits is limited to the previously stated objectives. The audit reports of the state's financial statements reported no material misstatements for the OA. The Single Audit reported no material noncompliance with direct and material compliance requirements for the major program audited at the OA.

We are required by the audit standards and single audit requirements to report as audit findings certain significant or material conditions such as weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; fraud; and/or known or likely questioned costs greater than \$25,000.

We reported 2 audit findings related to the OA's internal controls over financial reporting.

- Office of Administration Financial Reporting Controls - Fund Balance Classifications (Finding No. FS2022-008) - The OA - Division of Accounting (DOA) did not have adequate controls and procedures over classification of ending fund balances. If a fund balance classification error had not been corrected, the Government Wide - Governmental Activities and General Fund restricted fund balance would have been overstated, and the unassigned fund balance would have been understated, by approximately \$1.4 billion in the financial statements.
- Office of Administration SAM II Transaction Approvals (Finding No. FS2022-009) - As noted in our Statewide Accounting System Internal Controls audit, OA management had not fully corrected a weakness in the SAM II system security settings that allowed 2 users to create a transaction and then apply approval to the same transaction without review or additional approval from another party.

The OA partially agreed with one of the findings. The audit findings and the OA's responses, including explanation and specific reasons for disagreement, are included in our Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters (Report No. 2023-022) and the OA's Corrective Action Plans are included in the Single Audit Report (Report No. 2023-030).

A handwritten signature in black ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



# Scott Fitzpatrick

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## Missouri State Auditor

### Missouri Vocational Enterprise Program

Report No. 2023-041

September 2023

[auditor.mo.gov](https://auditor.mo.gov)



# CITIZENS SUMMARY

## Findings in the audit of the Missouri Vocational Enterprise Program

Background	The Missouri Vocational Enterprise Program is established in Sections 217.550 through 217.595, RSMo. According to state law, the purposes of the program include (1) the "training and employment of offenders in such job skills and tasks that will afford them the most favorable opportunities practicable for gainful employment upon discharge" from the Department of Corrections (DOC), and (2) the production and provision of goods and services as practicable to state entities, state employees, political subdivisions, and not-for-profit agencies. In addition, state law includes a program goal that "all general population offenders shall learn a skill or service and are employed."
Inadequate Programmatic Oversight	The DOC does not perform adequate planning and oversight of the Missouri Vocational Enterprise Program to ensure the program is achieving its statutory purpose. The DOC Director has not filled key vacancies on the Advisory Board of Vocational Enterprises Program and Advisory Board meetings have not been held as required by state law, leaving the DOC with little guidance or input on the program. Further, DOC officials have not established performance measures to track the effectiveness of the program, or developed a strategic plan to guide operational and programmatic decision making.
Programmatic Decisions Have Not Been Consistent With the Program's Statutory Purpose	Programmatic decisions have not been consistent with the program's statutory purpose to train and employ offenders in favorable opportunities for gainful employment upon discharge from incarceration. Program facilities are concentrated in institutions with longer expected remaining sentence years, hiring practices favor long-term offenders, a significant portion of short-term offenders do not have access to the program, program facility relocation decisions were not consistent with the DOC's own criteria for making such decisions and were not documented, and a significant portion of offenders in the program are employed in a job skill forecasted to decline in the number of workers in the near future.
Improvements Needed in Cost Tracking and Product Pricing Processes	Current procedures to track manufacturing costs and allocate indirect expenses are not adequate and do not provide administrators adequate cost information regarding facility locations or allow for informed programmatic decisions. In addition, incomplete cost information has resulted in product pricing that does not ensure amounts charged for products adequately cover the costs for those products.

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Financial Practices and  
Controls

Program officials have not performed periodic comparisons of program selling prices to current market prices, the program has accumulated significant levels of raw materials on hand, and sales forecasts have not been used to budget and plan program operations.

In the areas audited, the overall performance of this entity was Fair.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Missouri Vocational Enterprise Program

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Anne L. Precy, Director, Department of Corrections  
and  
Steven Martin, Administrator, Missouri Vocational Enterprise Program  
Jefferson City, Missouri

We have audited certain aspects of the Missouri Vocational Enterprise Program (program) in fulfillment of our duties under Chapter 29, RSMo. Due to the importance of rehabilitating Missouri's incarcerated population for re-entry into society, this program is of significance to Missouri residents. The program was established under Sections 217.550 through 217.595, RSMo. It provides many state and local entities with goods and services produced and performed by the offenders employed by the program. The objectives of our audit were to:

1. Evaluate whether the program fulfills its statutory mandate.
2. Evaluate internal controls over significant management and financial functions of the program.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions related to the program.
4. Evaluate the program's financial condition.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

For the areas audited, we identified (1) deficiencies with the program fulfilling its statutory mandate, (2) deficiencies in internal controls, (3) the need for improvement in management practices and procedures, and (4) no concerns with the program's financial condition.

The accompanying Management Advisory Report presents our findings arising from our audit of the Missouri Vocational Enterprise Program.

A handwritten signature in black ink that reads "Scott Fitzpatrick".

Scott Fitzpatrick  
State Auditor

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# Missouri Vocational Enterprise Program

## Introduction

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### Background

The Missouri Vocational Enterprise Program (program) is established in Sections 217.550 through 217.595, RSMo. According to state law, the purposes of the program include (1) the "training and employment of offenders in such job skills and tasks that will afford them the most favorable opportunities practicable for gainful employment upon discharge"<sup>1</sup> from the Department of Corrections (DOC), and (2) the production and provision of goods and services as practicable to state entities, state employees, political subdivisions, and not-for-profit agencies.<sup>2</sup> In addition, state law includes a program goal that "all general population offenders shall learn a skill or service and are employed."<sup>3</sup>

State law includes clear language regarding various aspects of program operations and planning. The DOC is responsible for operating the program and the DOC Director is responsible for general supervision over planning, establishment, and management of all vocational enterprise operations.<sup>4</sup> Additionally, the DOC Director decides at which correctional center each vocational enterprise shall be located.<sup>4</sup> The Division of Offender Rehabilitation Services (DORS) within the DOC oversees the program while the Missouri Vocational Enterprise (MVE) operates the program. DOC employees comprise the MVE civilian workforce.

State law establishes an Advisory Board of Vocational Enterprises Program (Advisory Board).<sup>5</sup> Statute requires the 10-member board to include 3 members representing manufacturing interests and 3 members representing organized labor. The DOC Director appoints the board members. The Advisory Board provides the DOC Director advice and counsel on planning for the program and makes recommendations concerning the services to be provided, the items to be manufactured, and the economy and efficiency of the manufacture of these items.<sup>6</sup>

The MVE employs offenders within the state prison system producing goods and performing services for state agencies, other not-for-profit entities, and current and retired state employees. Goods produced by the offenders include office furniture, clothing, license plates, and signs; while services include laundry and engraving.

According to the MVE website,<sup>7</sup>

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<sup>1</sup> Section 217.560(1), RSMo.

<sup>2</sup> Section 217.560(2), RSMo.

<sup>3</sup> Section 217.595.5, RSMo.

<sup>4</sup> Section 217.550.1, RSMo.

<sup>5</sup> Section 217.555.1, RSMo.

<sup>6</sup> Section 217.555.3, RSMo.

<sup>7</sup> <<https://docservices.mo.gov/mve/>>, accessed November 16, 2022.





## Missouri Vocational Enterprise Program Introduction

"the objective of the MVE is to develop personal responsibility in offenders through the development of diverse training programs. This enhances their employability and opportunity for success while incarcerated and upon release. MVE's most important goal is a successful offender that returns to society and is able to gain meaningful employment due to the training that was received while incarcerated."

Figure 1 lists each institution, the security level, the number of offenders housed in the institution, the number of MVE facilities located in the institution, and the number of offenders employed by the MVE facility(ies) as of June 30, 2021.

Figure 1: Listing of facilities with security level, offender population, number of MVE facilities, and the number of offenders employed in the MVE program(s).

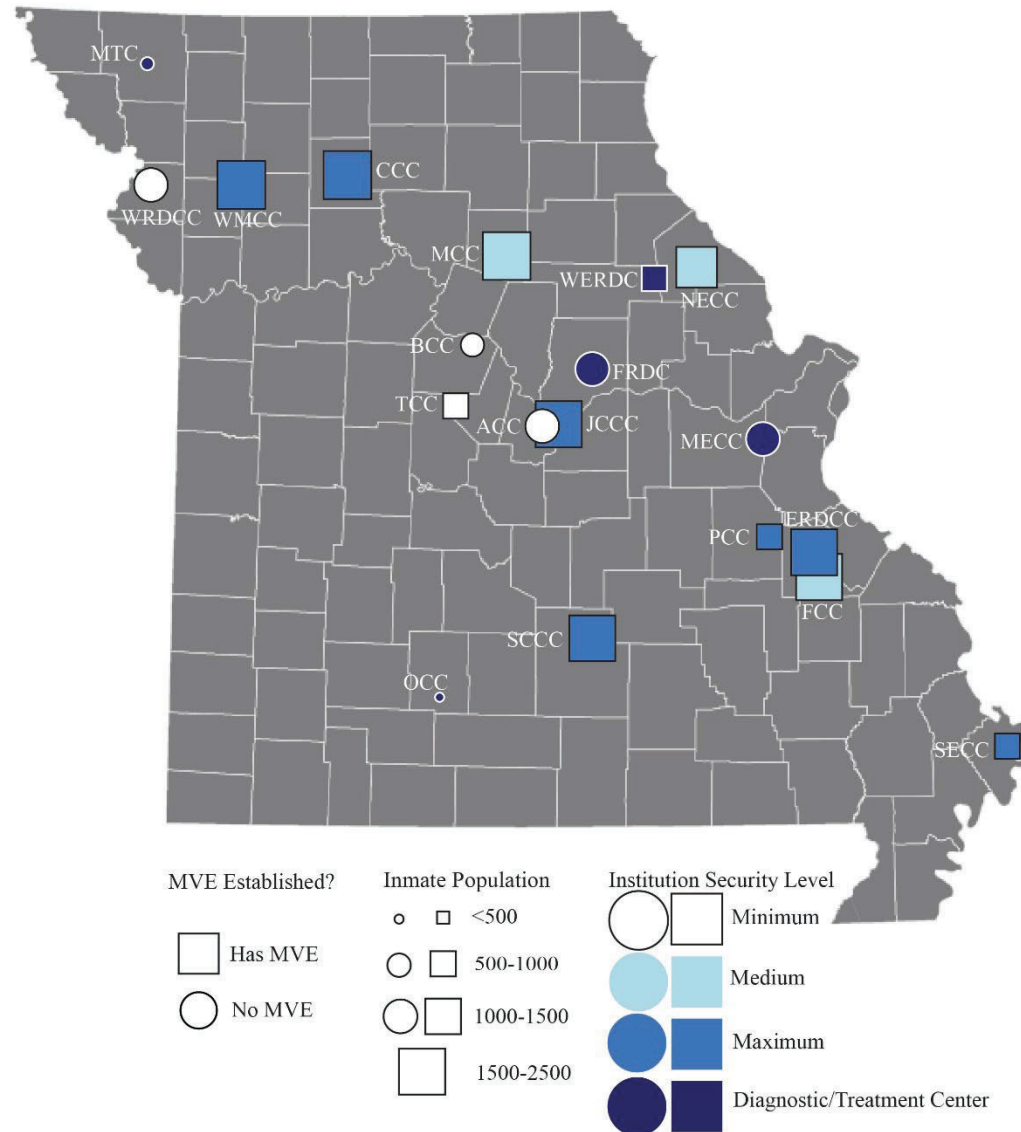
Institution	Acronym	Security Level	Offender Population	Number of Program Facilities	Offenders Employed
Algoa Correctional Center	ACC	Minimum	1,032	0	N/A
Boonville Correctional Center	BCC	Minimum	783	0	N/A
Chillicothe Correctional Center	CCC	Maximum	1,302	1	49
Eastern Reception, Diagnostic & Correctional Center	ERDCC	Maximum	2,346	1	24
Farmington Correctional Center	FCC	Medium	2,203	2	109
Fulton Reception & Diagnostic Center	FRDC	Diagnostic	1,391	0	N/A
Jefferson City Correctional Center	JCCC	Maximum	1,836	7	270
Moberly Correctional Center	MCC	Medium	1,698	3	201
Missouri Eastern Correctional Center	MECC	Diagnostic	1,063	0	N/A
Maryville Treatment Center	MTC	Treatment	246	0	N/A
Northeast Correctional Center	NECC	Medium	1,378	1	40
Ozark Correctional Center	OCC	Treatment	285	0	N/A
Potosi Correctional Center	PCC	Maximum	835	1	27
South Central Correctional Center	SCCC	Maximum	1,531	1	50
Southeast Correctional Center	SECC	Maximum	893	1	64
Tipton Correctional Center	TCC	Minimum	727	2	33
Women's Eastern Reception, Diagnostic & Correctional Center	WERDCC	Diagnostic	673	1	5
Western Missouri Correctional Center	WMCC	Medium	1,368	1	20
Western Reception, Diagnostic & Correctional Center	WRDCC	Minimum	1,475	0	N/A
Totals:		19	23,065	22	892

Source: Prepared by the State Auditor's Office (SAO) using information provided by the DOC.



## Missouri Vocational Enterprise Program Introduction

Figure 2: Map of facilities, offender population, and security level by institution



Source: Prepared by the SAO using information provided by the DOC.



## Missouri Vocational Enterprise Program Introduction

Revenues and expenditures from program operations are accounted for in the Working Capital Revolving Fund and state law requires all program earnings be retained in the fund.<sup>8</sup> The following table summarizes program financial information for the year ended June 30, 2021:

Figure 3: Summary program financial information, year ended June 30, 2021

Gross Revenues	\$ 20,414,252
Cost of Goods Sold	(11,499,299)
Operating Expenses	(12,322,080)
Loss on Operations	\$ (3,407,127)

Source: Prepared by the SAO using information provided by the DOC.

See Appendix B for additional summary financial information for the 5 years ended June 30, 2021.

## Scope and Methodology

The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2021.

To determine if the program is fulfilling its statutory mandate, we obtained an understanding of relevant legal provisions related to the program. We interviewed appropriate DOC officials to obtain an understanding of the planning and oversight performed by the DOC and of program operations as they relate to the program's purpose. Based on this understanding, we focused audit procedures and analyses on evaluating the remaining years of sentence of offenders in the program, the location of program facilities, the evaluation of jobs skills being trained, and job placement of enrolled offenders.

State statute includes specific language related to the program's purpose, including that the program shall provide diverse training and employment opportunities to offenders to allow for gainful employment upon discharge. As such, our methodology included procedures to evaluate the DOC's tracking of offender job placement, the remaining years of sentence for incarcerated offenders, the location of program facilities, and the job skills currently included in the program.

To evaluate how the remaining years of sentence of offenders is considered during strategic and operational decision making, we obtained a listing as of June 30, 2021, of each offender by institution with the anticipated release date and an indication if that offender was employed by the program. We incorporated the remaining years of sentence when evaluating the location of the facilities as of June 30, 2021, and when evaluating the relocation analysis performed by the DOC to support the institutions selected for 2 recent facility relocations. In addition, we incorporated the remaining years of sentence

<sup>8</sup> Section 217.595, RSMo.



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## Missouri Vocational Enterprise Program Introduction

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when evaluating operational decisions made by the MVE, including any preference given when hiring offenders based on the estimated remaining years of sentence.

To evaluate the location of program facilities, we interviewed appropriate DOC officials, and reviewed information provided by the DOC regarding the institutions that do and do not have a program facility, including each institution's security level and the number of and expected remaining years of sentences of the offenders. Additionally, we analyzed which offenders do and do not have program facilities in their institutions.

To evaluate how the DOC assesses potential job skills to include in the program, we interviewed appropriate DOC officials and reviewed statewide long-term industry projections produced by the Missouri Economic Research and Information Center (MERIC)<sup>9</sup> to determine if the demand for workers in the jobs and skills taught to the offenders is expected to increase or decrease between 2020 and 2030 in Missouri. This information was compared to the jobs and skills currently being trained in existing program facilities.

To evaluate job placement of enrolled offenders, we obtained an understanding of efforts made by the DOC to monitor the success of offenders in obtaining gainful employment, including attempts to employ offenders prior to release.

To evaluate and assess internal controls considered significant to the audit objectives, we interviewed key DOC and program personnel and reviewed policies and procedures to obtain an understanding of the practices of pricing the goods sold, allocating indirect costs, maintaining raw good inventory levels, forecasting sales, determining break even sales amounts, and accounting for variances between estimated and actual expenses and revenues.

To evaluate the economy and efficiency of certain management practices and procedures, we evaluated the DOC's procedures for recovering its costs in the product pricing and tested DOC's methodology to determine the viability of its calculations. We evaluated the overhead ratio needed for the program to break even, calculated by the DOC, and tested the methodology to determine the viability of the DOC's calculations. We evaluated the dollar amount of raw goods on hand by factory to determine if the on-hand amounts were excessive. We analyzed program procedures for forecasting sales, accounting for variances, determining the break-even point in sales, and allocating

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<sup>9</sup> MERIC is the research division of the Missouri Department of Higher Education and Workforce Development and was formed in 2001. MERIC provides analyses of the state's economic trends, targeted industries, and labor markets to policymakers and the public. See website at <<https://meric.mo.gov>>, accessed December 27, 2022.



## Missouri Vocational Enterprise Program Introduction

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indirect expenses for reasonableness. We also reviewed pricing for program products and attempted to compare the program's prices to market prices for comparable items.

To evaluate the program's financial condition, we reviewed balance sheets and income statements prepared by DOC officials for the 6 years ended June 30, 2022. We corroborated key financial amounts to reports prepared by other entities. Additionally, we analyzed the June 30, 2022, ending cash balance in terms of months of cash on hand to cover cost of goods sold, overhead expenses, and total expenses.

We performed sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire population from which the test items were selected.

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# Missouri Vocational Enterprise Program

## Management Advisory Report

### State Auditor's Findings

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#### **1. Inadequate Programmatic Oversight**

The Department of Corrections (DOC) does not perform adequate planning and oversight of the Missouri Vocational Enterprise Program (program) to ensure the program is achieving its statutory purpose. In addition, the Advisory Board of Vocational Enterprises Program is not functioning as intended by statute, leaving the DOC with little guidance or input on the program. Further, the DOC has not developed a strategic plan to guide operational and programmatic decision making, and has not established performance measures to determine the effectiveness of the program. As a result, the DOC cannot demonstrate that the program is achieving its statutory purpose. Rather, key decisions made by DOC personnel have been made without sufficient consideration of the program's purpose and without sufficient guidance from appropriate stakeholders as intended by statute.

##### **1.1 Ineffective Advisory Board**

The DOC Director has not filled key vacancies on the Advisory Board of Vocational Enterprises Program (Advisory Board) and the DOC Division of Offender Rehabilitation Services (DORS) has not held Advisory Board meetings as required by state law. As a result of the vacant positions and lack of required meetings, DOC officials are not receiving guidance from external employment industries when making key strategic decisions.

Required Advisory Board  
positions vacant

During the four years ending June 30, 2022, only 1 of the required 6 external industry positions on the Board was filled. A DOC official indicated it has been difficult finding individuals to fill the vacancies.

State law requires the DOC Director to appoint members to the Board.<sup>10</sup> State law further requires the Director of DORS (or a designee) to serve as the chairman of the Board, and requires the Board to consist of the MVE administrator, 3 external members representing organized labor, 3 external members representing manufacturing interests, 1 member with education and experience in criminology, and 1 member with education and experience in vocational rehabilitation.<sup>10</sup> During our audit period, only 1 of the 3 required labor positions have been filled, and none of the 3 required manufacturing positions were filled. These 6 external industry member positions are to help ensure the program's success in fulfilling its statutory purpose of increasing employment opportunities for offenders post-release.

Advisory Board not meeting  
as required by statute

The DORS Director, who serves as the chairman of the Board, has not ensured the Board meets as frequently as required by state law. While statutorily the Board is required to meet quarterly,<sup>11</sup> the Board only met a total of 4 times during the 4-year period of July 1, 2018, and June 30, 2022. No specific reasons were provided regarding why these meetings were not held.

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<sup>10</sup> Section 217.555.1, RSMo.

<sup>11</sup> Section 217.555.2, RSMo.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

### 1.2 Program performance not measured or reported

According to Section 217.555.3, RSMo, one of the statutory purposes of the Advisory Board is to provide the Director of the DOC "advice and counsel on proper planning" for the program. A fully functioning Advisory Board would provide input to inform program decisions and help ensure the program is meeting its statutory purpose and goal. The issues identified in Management Advisory Report (MAR) finding numbers 2 and 3 would benefit from the input of a fully functioning board.

DOC officials have not established performance measures to track the effectiveness of the program, and measures of program performance have not been reported to the legislature. While Department budget documents include certain data measures related to program satisfaction and activity measures, such as the number of program participants, these measures do not measure program performance. Establishing measures of performance helps provide evidence to stakeholders that the program is achieving its intended purpose and goal. Such performance measures can also be used to make informed decisions related to program operations. When asked, DOC officials could not indicate why effective performance measures have not been developed.

Establishing baseline performance measures is essential in guiding strategic programmatic decision making and evaluating the program's effectiveness. The National State Auditors Association (NSAA) guidance for audit organizations and government agencies states, "Performance measurement is a critical element of accountability for public resources," and further recommends considering the mission statement, goals, objectives, and the action plan when developing a performance measure process.<sup>12</sup> Additionally, the Government Finance Officers Association (GFOA) recommends, "all organizations identify, track, and communicate performance measures to monitor financial and budgetary status, service delivery, program outcomes, and community conditions."<sup>13</sup>

In the case of the MVE program, Section 217.560, RSMo, states the purpose of the program is to train and employ offenders in job skills that will "afford them the most favorable opportunities practicable for gainful employment upon discharge from the department." Therefore, establishing performance measures related to the number or percentage of program enrollees being gainfully employed after discharge, or a measure of the growth outlook of the skills being trained in the program, would provide the DOC with useful

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<sup>12</sup> *Best Practices in Performance Measurement in Government, Developing Performance Measures, NSAA, 2004*, p. 1.

<[https://www.nasact.org/files/News\\_and\\_Publications/White\\_Papers\\_Reports/NSAA%20Best%20Practices%20Documents/2004\\_Developing\\_Performance\\_Measures.pdf](https://www.nasact.org/files/News_and_Publications/White_Papers_Reports/NSAA%20Best%20Practices%20Documents/2004_Developing_Performance_Measures.pdf)>, access on December 21, 2022.

<sup>13</sup> *Best Practices, Performance Measures, GFOA, 2018*,

<<https://www.gfoa.org/materials/performance-measures>>, accessed on December 21, 2022.





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## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

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### 1.3 Strategic planning process not utilized

information to determine if the program was meeting its statutory purpose. In addition, reporting key performance information to the Legislature would provide public transparency for the program, give the Legislature key performance information when making legislative decisions, and contribute towards the program fulfilling its statutory purpose.

DOC officials have not developed a strategic planning process to drive program decisions and to help monitor program effectiveness and efficiency. Strategic planning is a comprehensive and systematic management tool that involves identifying goals and risks, developing action plans to meet established goals, monitoring the progress of the action plans, and reassessing strategies to achieve program outcomes. Strategic planning can be a useful tool in guiding operational decision making and evaluating a program's effectiveness.

The GFOA recommends, "all government entities use some form of strategic planning to provide a long-term perspective for service delivery and budgeting."<sup>14</sup> Additionally, the GFOA recommends the strategic planning process include (1) identifying program goals, (2) developing strategies and actions to achieve those goals, (3) measureable objectives, and (4) performance measures to determine if objectives are being met.

DOC officials indicated strategic planning is performed at the department level, but is not specific to the MVE program. According to DOC officials there are data points that are tracked and updated monthly. However, as discussed in section 1.2, these data points track program activity and do not establish program goals or measure program performance.

Effective strategic planning would provide additional guidance to DOC officials when making key decisions. In addition, a strategic planning process would provide a baseline for comparison against future program results and would identify areas of success and opportunities for DOC officials for future decision making. MAR finding number 2 contains information related to program activities that a strategic planning process could track.

### Conclusion

The DOC could improve its management of the program with improved oversight of program operations. Ensuring all vacancies on the Vocational Enterprises Advisory Board are filled, and ensuring the Board meets as required by state statute would provide the program with additional governance and oversight. In addition, the development of performance measures and a strategic planning process would allow DOC management to provide the Board with information to make strategic decisions regarding

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<sup>14</sup> Best Practices, Establishment of Strategic Plans, GFOA, 2005, <<https://www.gfoa.org/materials/establishment-of-strategic-plans>>, accessed on December 21, 2022.





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## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

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program operations and help ensure the program is achieving its statutory purpose.

The remainder of this report contains additional findings and recommendations to improve the program. See MAR finding number 2 for concerns regarding the program fulfilling its statutory mandate, MAR finding number 3 for concerns regarding the economy and efficiency of management practices, and MAR finding number 4 for concerns regarding deficiencies in financial practices and internal controls over program operations.

### Recommendations

We recommend the DOC:

- 1.1 Ensure the advisory board vacancies are filled and meetings are held in accordance with state law.
- 1.2 Develop baseline performance measures to be used for future evaluation of program success. Work with DORS personnel as necessary to establish appropriate measures and evaluate future program performance. Consider using guidance provided by the GFOA when developing program performance measures.
- 1.3 Develop a strategic planning process for the program and ensure the plan incorporates appropriate performance measures and performance goals, is considered when making operational decisions, and is periodically reviewed and updated as necessary. Consider using guidance provided by the GFOA when developing the strategic planning process.

### Auditee Response

*The department's written response indicates it agrees with recommendation 1.1, disagrees with recommendation 1.2, and partially agrees with recommendation 1.3. The department's full response is included at Appendix A.*

### Auditor's Comment

The department's response to recommendations 1.2 and 1.3 states the department has performance measures included in budget documents. As explained in the finding, the performance measures in the budget documents do not include measures of performance or effectiveness of the program, but rather track program activity, such as the number of inmates in the program and program expenditures. In response to recommendation 1.3 the department states there is not a strategic plan related to the MVE, but there is a department-wide plan that is used to make operational/management decisions. However, this plan does not establish program goals or program performance measures specific to the MVE.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

### **2. Programmatic Decisions Have Not Been Consistent With the Program's Statutory Purpose**

Programmatic decisions have not been consistent with the program's statutory purpose to train and employ offenders in favorable opportunities for gainful employment upon discharge from incarceration. Program facilities are concentrated in institutions with longer expected remaining sentence years, hiring practices favor long-term offenders, a significant portion of short-term offenders do not have access to the program, program facility relocation decisions were not consistent with the DOC's own criteria for making such decisions and were not documented, and a significant portion of offenders in the program are employed in a job skill forecasted to decline in the number of workers in the near future.

As of June 30, 2021, the MVE operated 22 facilities employing 892 offenders (3.9 percent of the DOC incarcerated population) in 12 institutions housing 23,065 offenders.

#### **2.1 Program facilities are concentrated in institutions with longer remaining sentences**

Program facilities are primarily located in institutions with longer remaining sentences and higher security levels, and a significant number of offenders do not have access to program job skills training, which does not align with the program's statutory purpose of providing offenders with opportunities for employment upon release. Section 217.560, RSMo, states the purpose of the program is to train and employ offenders in job skills that will "afford them the most favorable opportunities practicable for gainful employment upon discharge from the department." Additionally, the DOC recently relocated 2 facilities, and the locations selected by the DOC were not consistent with the criteria a DOC official stated was followed and the criteria established by state statute, and the DOC did not retain any of the relocation analysis documentation to support the decisions made.

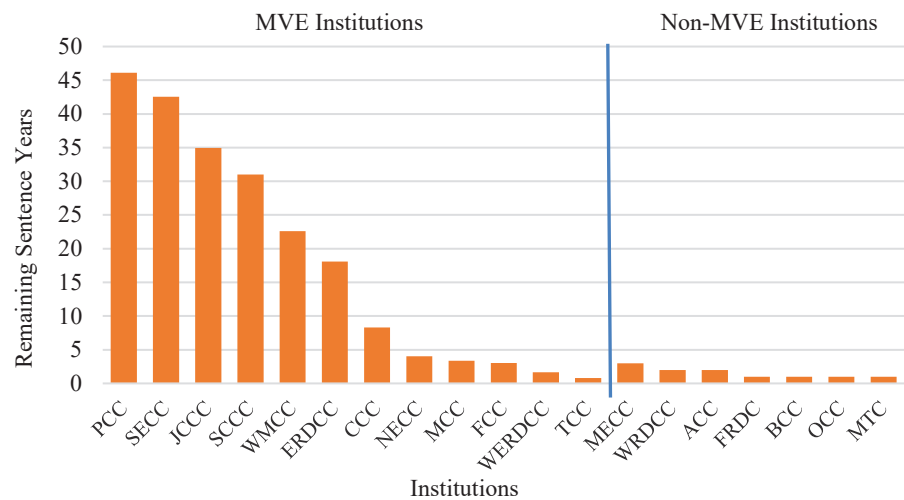
Current locations have longer  
remaining sentences

The institutions selected by the DOC for program facilities significantly favor institutions with longer expected remaining sentence years. Figure 4 shows each institution's average offender expected remaining sentence years, sorted by expected remaining sentence years, grouped by if the institution has a program facility.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

Figure 4: Average expected remaining sentence years by institution as of June 30, 2021



Source: Prepared by the SAO using offender expected release data provided by the DOC.

Based on Figure 4, the locations selected by the DOC for program facilities significantly favor institutions with longer expected remaining sentence years. Additionally, all 7 of the 7 institutions with an average remaining sentence years of 8 years or more years have at least 1 program facility. This includes 4 institutions with an average expected remaining sentence years of greater than 30 years. Of the 12 institutions with an average remaining sentence years of less than 5 years, only 5 have an MVE facility.

To better understand the expected remaining sentence years by institution, we classified the expected remaining sentence years into 3 categories: short-term, medium-term, and long-term. We defined short-term to be offenders expected to be released within the next 5 years, medium-term to be offenders expected to be released in more than 5 years and up to 10 years, and long-term to be offenders expected to be released in 10 years or more. Figure 5 shows the number of short-, medium-, and long-term offenders in institutions with and without a program facility as of June 30, 2021.

Figure 5: Offender expected remaining sentence years between institutions with and without a program facility

		Program Institutions	Non-Program Institutions	Program Institutions	Non-Program Institutions
Expected Remaining Sentence Years		Total <sup>1</sup>	Total <sup>2</sup>	Percentage <sup>3</sup>	Percentage <sup>4</sup>
Short	Up to 5 Years	9,865	5,825	63%	37%
Medium	Between 5 and 10 Years	2,115	325	87%	13%
Long	10 Years or more	4,810	125	97%	3%
Totals		16,790	6,275		

<sup>1</sup> Number of offenders expected to be released by term from institutions with a program facility.

<sup>2</sup> Number of offenders expected to be released by term from institutions without a program facility.

<sup>3</sup> Percentage of offenders expected to be released by term from institutions with a program facility.

<sup>4</sup> Percentage of offenders expected to be released by term from institutions without a program facility.

Source: Prepared by the SAO using offender expected release data provided by the DOC.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

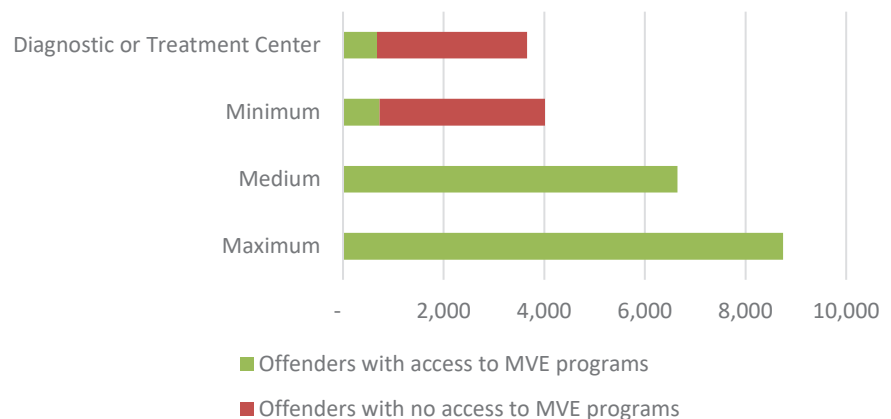
### Significant number of lower security offenders without program access

Based on Figure 5, the DOC has favored the institutions with longer expected remaining years of sentence, with 97 percent of the long-term offenders being located in an institution with a program facility, while only 63 percent of the short-term offenders are in an institution with a program facility.

Based on our analysis of facility locations, a significant number of offenders do not have access to program jobs and skills training. Specifically, the majority of the minimum security and diagnostic/treatment center institutions do not have a program facility. The DOC does not have an MVE facility in 3 of the 4 minimum security institutions (75 percent), or in 4 of the 5 diagnostic/treatment centers (80 percent). According to discussions with DOC officials, not all diagnostic or treatment centers would be good candidates for MVE facilities; however, some could, and currently do, house such facilities.

Figure 6 shows the number of offenders, by institutional security level, that do and do not have access to a program facility in the institution where they are incarcerated.

Figure 6: Offender access to program facility by institutional security level



Source: Prepared by the SAO using institution and offender data provided by the DOC.

Based on Figure 6, the majority of the offenders in the minimum security and the diagnostic/treatment center institutions do not have any access to the jobs and skills taught by the program. As a result, those individuals convicted of lesser infractions and subsequently jailed in a lower security prison had a significantly lower chance of participating in the program than those individuals convicted of more serious offenses.

The DOC has also concentrated numerous program facilities in a few institutions. For example, there are 14 program facilities located in 4 institutions, with 7 program facilities in the maximum security JCCC institution, while locating no program facilities in the minimum security ACC institution, which is less than a mile away from the JCCC institution.



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## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

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### Conclusion

The DOC has placed program facilities in institutions with longer remaining sentences and higher security levels. This leaves a significant number of lower risk offenders, with less expected years remaining on their sentences, without access to program jobs and skills training. Focusing program locations in institutions with longer expected remaining sentence years does not align with the program's statutory purpose and goal because many of the offenders expected to be released in the short-term do not have access to the program. Performing a location analysis would allow DOC officials to assess whether current program locations align with the program's statutory purpose of providing offenders with opportunities for employment upon release.

Recent relocation decisions were not documented, were not approved by the Advisory Board, and were not consistent with statutory and DOC criteria

The DOC has relocated 2 program facilities within the past 5 years. While DOC officials stated an analysis was performed for each relocation, they could not provide documentation of either relocation analysis. Additionally, there is no evidence to support that either relocation was reviewed or approved by the Advisory Board. Further, the institution selected in both decisions was not supported by the methodology a DOC official stated was used for the analyses.

The first relocation occurred around July 2019 and involved relocating an office systems factory from the JCCC to the NECC institution. The second relocation occurred around June 2021 and involved relocating a clothing factory from the WERDCC to the MECC institution. DOC officials stated an analysis was performed for both relocations, and the methodology used in the analyses was consistent with statutory language<sup>15</sup> to include consideration of the population of the offenders in the institutions (larger population preferred), the physical distance of the institutions from the original institution (closer location preferred), and the security level of the institutions (lower security level preferred). For the purposes of our analysis we also included 2 additional criteria based on the program's purpose: the percentage of offenders expected to be released within the next 5 years (higher percentage preferred), and the average remaining expected sentence years for each institution (lower remaining years preferred).

Based on our analysis of both relocations, the locations selected by the DOC for the new program facilities had higher security levels, lower offender populations, and were further away from the current locations, all of which are inconsistent with the attributes DOC officials stated were favorable. In addition, the facilities selected had a smaller percentage of short-term sentences, and higher average expected sentence years remaining than other institutions available. Further, our analysis determined the institutions selected by the DOC ranked as the least suitable, or tied for the least suitable, for 7 out of 9 attributes tested for the two relocations. It is unclear how DOC

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<sup>15</sup> Section 217.550.1, RSMo.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

officials selected these two institutions using their described methodology. When asked, DOC officials could not elaborate why the institutions selected were not supported by their analyses, or why those analyses were not retained.

See Appendix C for additional details of our relocation analysis.

### Board's discussion of relocation lacked analysis and alternative locations

Based on the minutes from the September 7, 2018, Advisory Board meeting, the board member representing the MVE mentioned the planned relocation of the JCCC institution factory and indicated the MVE was considering the NECC institution. However, there is no mention of an analysis or any consideration of alternative locations in the minutes. The only board member representing external employment interests was absent from this meeting. In addition, the minutes did not indicate approval of this planned relocation, and did not mention the planned relocation of the WERDCC institution factory.

Section 217.560, RSMo, requires the program to be diversified both as to location and kind. In addition, Section 217.550.1, RSMo, provides criteria for program facility locations, including "offender custody levels, the number of offenders in each correctional center so the best service or distribution of labor may be secured, location and convenience of the correctional centers in relation to the other correctional centers to be supplied or served and the machinery presently contained in each correctional center." While Advisory Board approval is not required by statute, review by the board would provide the DOC with input from parties outside the agency and would provide transparency for such decisions.

## 2.2 Hiring practices favor long-term offenders

Program personnel have made hiring decisions that result in long-term offenders being over-represented in MVE facilities relative to the populations of the institutions in which they are housed. The favoring of long-term offenders has resulted in approximately 35 percent of offenders employed by the program having more than 10 expected remaining years on their sentences, including 24 percent of program offenders with over 20 expected remaining years left on their sentences. Employing a significant number of offenders with a high number of expected years remaining on their sentences results in fewer program openings available to offenders with shorter terms who will be entering the workforce in the near future. This practice does not align with Section 217.560, RSMo, which states the purpose of the program is to train and employ offenders in job skills that will "afford them the most favorable opportunities practicable for gainful employment upon discharge from the department."

Figure 9 shows the number and percentage of the total offenders employed by the program as of June 30, 2021, by expected remaining years of sentence. As of June 30, 2021, the program employed a total of 892 offenders in 22 program facilities.





# Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

Figure 9: Expected remaining years of sentence for offenders in the program

Category	Expected sentence years remaining	Count of offenders expected to be released	Percentage of offenders by expected sentence years
Short	1 year or less	201	22%
	1 year to 2 years	85	10%
	2 years to 5 years	149	17%
Medium	5 years to 10 years	139	16%
Long	10 years to 20 years	101	11%
	20 years to 30 years	33	4%
	30 years to 40 years	19	2%
	More than 40 years	165	18%
Totals		892	100%

Source: Prepared by the SAO using offender expected release data provided by the DOC.

Based on Figure 9, 318 offenders employed (36 percent) will not be released for at least another 10 years, including 165 offenders employed (18 percent) that are not expected to be released for another 40 years, while 435 offenders employed (49 percent) through the program are expected to be released within the next 5 years.

Long-term offenders are overrepresented in MVE enrollment relative to institution populations

An analysis of the offenders employed by the program determined the high number of long-term offenders in the program is not only due to the placement of program facilities in institutions with high populations of long-term offenders (see section 2.1). Rather, MVE hiring practices have resulted in the overrepresentation of long-term offenders in the institutions where MVE facilities are located. Conversely, short-term offenders in those institutions are underrepresented.

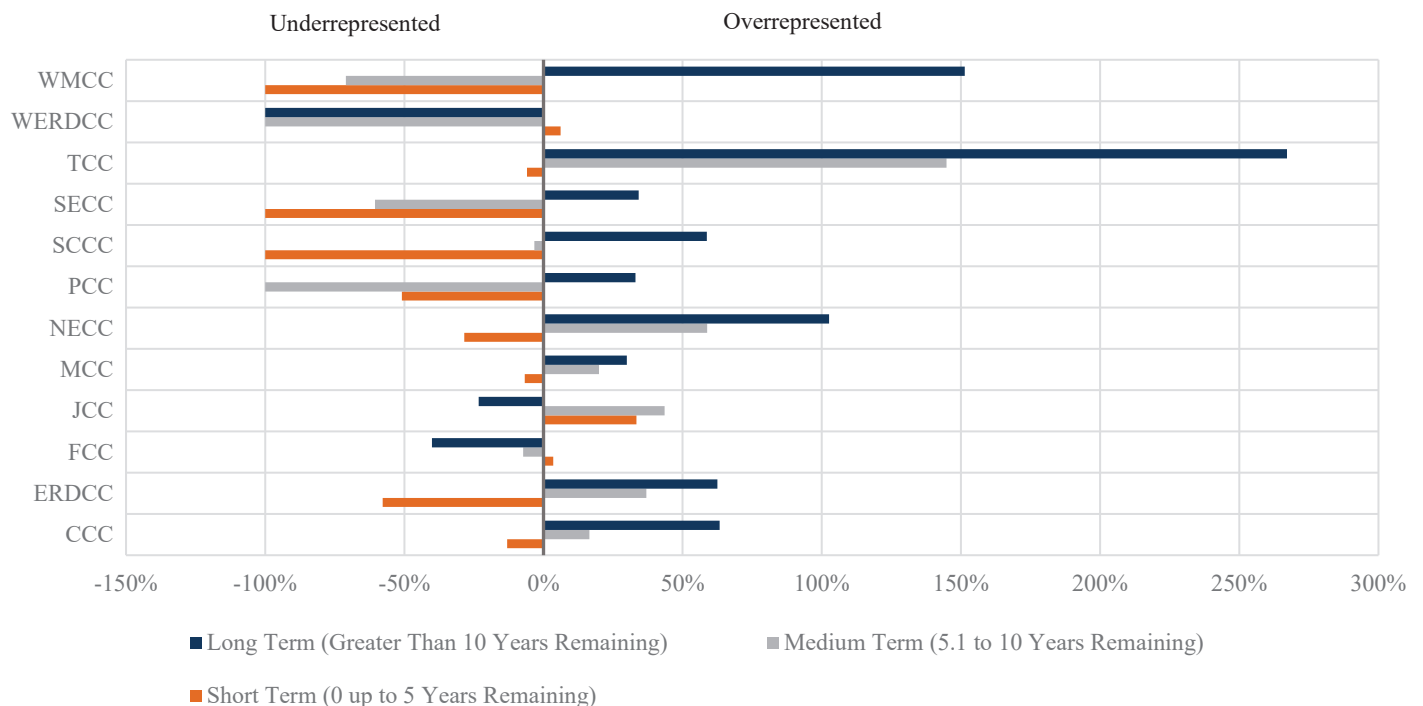
To evaluate the representation of MVE offenders in MVE institutions against the general populations of those institutions, we utilized the expected remaining sentence years by offender information provided by the DOC. For each institution, we determined the percentage of the institution's offender population expected to be released within the next 5 years (short term), the percentage expected to be released in more than 5 years up to 10 years (medium term), and the percentage expected to be released in more than 10 years (long term) to establish each institution's base percentage. We then determined the percentage of short-term offenders, medium-term offenders, and long-term offenders employed by the institution's MVE program facility or facilities. We then compared each institutions short-term, medium-term, and long-term base percentages to the short-term, medium-term, and long-term percentages for the offenders employed through the program, and determined the percentage difference between the program's percentages and the base percentages. The result of this evaluation is presented in Figure 10.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

Offenders are considered overrepresented when the percentage of offenders employed by the program is greater than the percentage of similar offenders in the institution as a whole. An overrepresented percentage of 100 percent would represent an institution in which the number of offenders employed by an MVE facility are more than double the number of that type of offender in the general population of that particular institution. Offenders are considered underrepresented when the percentage of offenders employed by the program is less than the percentage of similar offenders in the institution as a whole. A percentage of negative 100 percent would indicate the MVE facility does not employ any of the population of that type of offender.

Figure 10: Percentage of program employment representation compared to offender general population.



Source: Prepared by the SAO using institution and offender expected release data provided by the DOC.

Based on Figure 10, the long term offenders are overrepresented in 9 of the 12 institutions with program facilities, and are significantly overrepresented (more than 50 percent) in 6 of the 12 institutions with program facilities. Short term offenders are not significantly overrepresented in any facility. Conversely, the short-term offenders are underrepresented in 9 of the 12 institutions (75 percent). The short term offender population is significantly underrepresented (more than negative 50 percent) in 5 of 12 institutions with program facilities. In 3 of those facilities (SECC, SCCC, and WMCC) the short-term offender population is 100 percent underrepresented, meaning short-term offenders are not used at all for program operations even though these 3 facilities employ a total of 134 offenders. Long-term offenders are





## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

significantly underrepresented in 1 of the 12 facilities. This is a result of that facility employing 5 offenders out of the 673 offenders in the facility, and 94 percent of the 673 offenders are short-term offenders.

Majority of program facilities with no openings for offenders

According to DOC officials, 21 of the 22 program facilities (95 percent) were at full capacity, as of June 30, 2021, with the WERDCC clothing facility as the only program facility that was not fully staffed with offenders.

As a result, no positions were available for short-term offenders in the majority of program facilities, and fewer positions will become available in the near future due to the overrepresentation of long-term offenders in the program.

Program personnel indicated while they use the offender's remaining expected sentence years to exclude offenders for remaining sentences that are too short, they do not use the expected remaining years of sentence to exclude offenders for remaining sentences that are too long. Program personnel indicated it takes several months to learn new skills, so it is inefficient to hire offenders with shorter expected remaining years of sentence. Additionally, DOC officials and program personnel indicated offenders with longer remaining expected years of sentence are valuable to the program because there is less turnover with those offenders, and they can be available to train newly hired offenders.

Conclusion

Program personnel have favored long-term offenders with their hiring practices, reducing available positions for those offenders expected to be released in the near future. The majority of the program facilities are also at full-offender employment, further reducing the opportunities for short-term offenders to be employed with the program. Favoring long-term offenders is not consistent with the program's statutory purpose.

2.3 Analysis of industries and skills offered by the program is needed

DOC officials have not performed an analysis of industry demand projections to ensure the program aligns with the skills that are in demand by the private sector. As a result, our analysis of industry projections indicates the industries currently being trained in the program are projected to decline by an average of 12 percent over the next decade. An analysis of the skills being trained in the program is needed to ensure the effectiveness of the program in achieving its statutory purpose. As of June 30, 2021, the DOC operated 7 general industries<sup>16</sup> within the 12 institutions.

<sup>16</sup> These general industries are clothing, consumables, furniture, laundry, license and engraving, metal, and print.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

Job skills taught are in industries expected to decline in demand

According to data from the Missouri Economic Research and Information Center (MERIC),<sup>17</sup> 64 percent of offenders hired by the program are being trained in industries projected to have declining demand, including 28 percent of enrollees being trained in apparel manufacturing, which is projected to employ 43 percent fewer individuals over the next decade (the fastest declining industry in terms of individuals employed, according to the MERIC projections). These projections forecast the expected increase or decrease in the number of individuals employed across 194 industries between 2020 and 2030.<sup>18</sup>

We performed an analysis to determine the projected growth or decline for each facility based on the corresponding MERIC data. We then performed a weighted-average calculation based on each facility's percentage of the total offender labor costs for the year ended June 30, 2021, to determine the overall projected growth or decline of the program. See Figure 11 for additional information. If operations remain unchanged, the number of jobs in fields in which offenders are currently training are expected to decrease by a weighted average of approximately 12 percent<sup>19</sup> over the next 10 years.

Section 217.560(1), RSMo, states the purpose of the program includes the training and employment of offenders in such job skills and tasks as will afford them the most favorable opportunities practicable for gainful employment upon discharge from the department. DOC officials indicated the current administration personnel are new to their roles with the program, and the industries selected for the program were chosen many years ago and no current industry analysis has been performed. In addition, industry input is a significant reason industry representatives are required by statute to be included on the Advisory Board. As discussed in MAR finding number 1.1, a functioning Advisory Board that includes all of the 6 required members representing external employment industries would provide DOC officials with additional industry employment perspectives.

<sup>17</sup> MERIC is the research division of the Missouri Department of Higher Education and Workforce Development and was formed in 2001. MERIC provides analyses of the state's economic trends, targeted industries, and labor markets to policymakers and the public.

<sup>18</sup> Projections can be found at <<https://meric.mo.gov/industry/long-term-projections>>, accessed on December 15, 2022.

<sup>19</sup> Average is weighted using the percentage of total offender labor costs for each industry.



Missouri Vocational Enterprise Program  
Management Advisory Report - State Auditor's Findings

Figure 11: Comparison of program job skills taught to industry employment projections

Program Factory	Industry Projections 2020-2030	Trending Projection	MERIC Description	Percentage of Total Offender Labor Costs
JCCC Clothing	-43%	Decline	Apparel Manufacturing	13%
FCC Clothing	-43%	Decline	Apparel Manufacturing	5%
CCC Clothing	-43%	Decline	Apparel Manufacturing	6%
MECC Clothing	-43%	Decline	Apparel Manufacturing	3%
TCC Shoe	-43%	Decline	Apparel Manufacturing	1%
MCC Print	-19%	Decline	Printing and Related Support Activities	3%
JCCC Cartridge Recycling	-19%	Decline	Printing and Related Support Activities	1%
MCC Laundry	-7%	Decline	Dry-cleaning and Laundry Services	19%
FCC Laundry	-7%	Decline	Dry-cleaning and Laundry Services	5%
JCCC License Plate	-7%	Decline	Alumina and Aluminum Production	5%
JCCC Sign	-7%	Decline	Alumina and Aluminum Production	1%
PCC Tube Bending	-3%	Decline	Product Manufacturing from Purchased Steel	3%
JCCC Furniture	10%	Growth	Furniture and Related Product Manufacturing	6%
SECC Furniture	10%	Growth	Furniture and Related Product Manufacturing	6%
SCCC Furniture Restoration	10%	Growth	Furniture and Related Product Manufacturing	4%
TCC Chair	10%	Growth	Furniture and Related Product Manufacturing	2%
NECC Office Systems	10%	Growth	Furniture and Related Product Manufacturing	4%
JCCC Graphic Arts	7%	Growth	Specialized Design Services	2%
MCC Metal	4%	Growth	Fabricated Metal Product Manufacturing	5%
JCCC Engraving	4%	Growth	Manufacturing	2%
WMCC Consumables	4%	Growth	Manufacturing	1%
ERDCC Chemical	2%	Growth	Chemical Manufacturing	3%
Weighted MVE Average	-12%	Decline		

Source: Prepared by the SAO using MERIC long-term industry projections and DOC-provided institutional financial and offender information.

## Conclusion

Taking steps to help ensure the jobs and skills for which offenders are receiving training are in demand by the private sector would contribute towards the program fulfilling its statutory purpose. In addition, monitoring the forecasted growth (or decline) in demand for employees in the related industries and job skills taught to offenders would provide additional guidance to DOC officials when selecting job skills for the program. To the extent possible, concentrating short term offenders in the industries with the most significant forecasted growth in demand offered by the program would better align with the program's statutory purpose.

## Overall Conclusion

DOC officials have focused program access and hiring decisions on long-term offenders and have taught skills in industries that are projected to employ fewer workers in the near future. These programmatic decisions have not been consistent with the program's statutory purpose to train and employ offenders



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## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

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in favorable opportunities for gainful employment upon discharge from incarceration.

### Recommendations

We recommend the DOC:

- 2.1 Prepare an analysis to determine the preferred locations of program facilities and take steps to begin planning how those location goals can be accomplished. Ensure future analyses to determine the location of program facilities are documented and the methodology used includes the criteria outlined in state law, and obtain input from the Advisory Board prior to making final decisions.
- 2.2 Develop hiring practices that place an increased emphasis on employing offenders with fewer years remaining on their sentences.
- 2.3 Periodically review the job skills included in the program, and ensure they align with job market projections. In addition, ensure the Advisory Board is included in the decision making process as it relates to job skills being offered.

### Auditee Response

*The department's written response indicates it disagrees with these recommendations. The department's full response is included at Appendix A.*

### Auditor's Comment

The department's response to recommendation 2.1 and 2.2 does not refute any of the facts presented in the report. However, the department's response makes the argument that the program is in compliance with its statutory goal and purpose because 96 percent of all offenders are eventually released from custody, and therefore, the average years of remaining sentence of MVE enrollees should not be a significant consideration in the department's enrollment decision-making process. However, due to the low portion of offender population enrolled in the program, utilizing fewer long term offenders would help maximize the number of offenders receiving training, and be more consistent with the program's statutory purpose.

The department's response to recommendation 2.3 argues the soft skills learned through the MVE program are transferable to the job market generally. The report does not dispute this, but recommends the department ensure the hard skills being trained in the program align with job market projections.



### **3. Improvements Needed in Cost Tracking and Product Pricing Processes**

Current procedures to track manufacturing costs and allocate indirect expenses are not adequate and do not provide administrators adequate cost information regarding facility locations or allow for informed programmatic decisions. In addition, incomplete cost information has resulted in product pricing that does not ensure amounts charged for products adequately cover the costs for those products. MVE activities are self-sustaining and tracked in a proprietary fund<sup>20</sup> that is used for government activities that involve business-like interactions. As such, appropriate tracking of costs to ensure the revenue generated is sufficient to cover fund expenditures is necessary. Accurate cost information will also allow management to make informed decisions regarding the program.

The program's expenses can be categorized into two groups: direct and indirect. Direct expenses are the costs incurred for manufacturing the item for sale or performing the service. These expenses occur at all 22 program facilities and include costs such as offender labor, materials, and freight. Indirect expenses are the costs incurred to manage the program that are not directly involved in manufacturing a product or performing a service, and are incurred in the program's central offices and warehouses. Indirect expenses include costs such as administrative wages and salaries, benefits, and operating supplies.

The administration function of the program generates minimal revenue and relies on the profit centers to cover the indirect expenses. Based on DOC records, during the year ending June 30, 2021, the administrative function generated \$93,901 in revenue and spent \$4,623,876 on administrative expenses. These expenses represent indirect overhead costs.

#### **3.1 Indirect expenses not allocated to profit centers**

The DOC does not allocate program indirect overhead expenses to the profit centers, or subsequently to the individual program facilities. Historically, indirect overhead expenses have been approximately 21 percent of total expenses. As a result of not allocating these expenses, financial analyses regarding the economic viability of the profit centers and facilities are incomplete and do not accurately reflect program activity. Ultimately, not allocating all expenses to profit centers understates program costs at the profit center and facility level, and results in pricing and product decisions being made with incomplete information.

<sup>20</sup> Proprietary funds are used to account for business-like activities of the government, such as the MVE program, and are generally financed by self-generating revenues. The Working Capital Revolving Fund (WCRF) is the proprietary fund used to account for MVE program activities.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

Indirect overhead  
expenditures are significant

We performed an allocation of the program's indirect overhead to the profit centers and then to the individual program facilities.<sup>21</sup> Performing this allocation allowed us to analyze the effects of DOC officials not allocating indirect overhead.

Indirect overhead expenses represent significant expenses for the profit centers. Based on DOC data, from 2017 to 2021, indirect overhead expenses averaged \$5.7 million annually and represented approximately 21 percent of total expenses.

See Appendix D for the amount of indirect overhead expenses and the percentage of indirect overhead to total expenses by profit center by year for the 5 years ending June 30, 2021.

DOC officials and program  
administrators not alerted to  
the losses

Since indirect overhead is not allocated, DOC officials only report the operating profit or loss for the profit centers and program facilities.<sup>22</sup> As a result, DOC officials and program personnel are unaware which activities are actually generating a profit or a loss. To determine a more accurate picture of the profit or loss of each profit center, we allocated indirect overhead costs to each profit center and then recalculated the profit or loss for each profit center.

As shown in Figure 12, allocating indirect expenses has a significant impact on the financial performance of the profit centers. For example, based on DOC records, the Print profit center reported an operating profit each year for fiscal years 2019, 2020, and 2021; however, after our allocation of indirect overhead costs, the Print profit center incurred a loss in fiscal years 2020 and 2021. DOC officials indicated they had not seen the true profit/loss calculated for any of the profit centers or the individual program facilities. As a result, program administrators have not had an accurate reflection of the financial performance of individual facilities or profit centers. When asked, DOC officials did not provide an explanation for why they have not historically allocated indirect costs for the program.

Allocating indirect overhead is a core cost accounting function, and is necessary to approximate full costs for the program to determine its break-even point in sales. GFOA guidance recommends "governments allocate their indirect costs," and also states, "certain important management objectives (measuring the cost of government services, establishing fees and charges,

<sup>21</sup> We used the number of offenders in each of the program facilities from DOC-provided annual reports for each fiscal year and used each facility's percentage of the total as the base to allocate indirect overhead.

<sup>22</sup> Operating profit is calculated by subtracting direct expenses from sales.





## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

charging back the cost of internal services. . . ) can be served by allocating indirect costs."<sup>23</sup>

Allocating indirect overhead and determining a more accurate calculation of profit or loss by profit center and program facility would provide additional guidance to DOC officials when making programmatic financial and pricing decisions, and would help to ensure program revenue generated is sufficient to cover expenditures, as would be typical of a proprietary fund.

Figure 12: Production centers reported operating profit/(loss) vs. profit/(loss) after allocation of indirect overhead, 3 years ended June 30, 2021

Cost/Profit Centers	2021		2020		2019	
	Reported Profit/(Loss)	After Allocation Profit/(Loss)	Reported Profit/(Loss)	After Allocation Profit/(Loss)	Reported Profit/(Loss)	After Allocation Profit/(Loss)
Overhead Cost Centers	\$(4,234,309)	0	(7,078,611)	0	(6,197,283)	0
Consumables	772,924	526,931	917,666	601,647	901,362	597,431
Clothing	814,915	(271,165)	997,458	(1,064,700)	1,238,791	(325,563)
Furniture	(291,391)	(1,488,864)	557,427	(883,405)	1,274,929	112,837
Laundry	(913,078)	(1,757,807)	539,868	(1,447,302)	504,322	(1,542,746)
License & Engraving	1,042,530	531,981	3,845,325	3,213,287	4,552,945	4,070,230
Metal	(354,528)	(855,796)	(135,944)	(730,489)	20,587	(493,415)
Print	51,476	(92,407)	173,366	(30,172)	333,435	114,424
Tire Recycling <sup>1</sup>	(54,774)	0	N/A	N/A	N/A	N/A
Real Estate <sup>2</sup>	(240,892)	0	(157,689)	0	(95,892)	0
Totals	\$(3,407,127)	\$(3,407,127)	\$(341,134)	\$(341,134)	\$2,533,196	\$2,533,196

<sup>1</sup> According to a DOC official, the Tire Recycling Center is closed and not expected to generate additional revenue. Therefore, it should be treated as indirect and allocated to the Profit Centers.

<sup>2</sup> According to a DOC official, the Real Estate Center captures lease revenue and maintenance/custodial expenditures. Therefore, these costs should be treated as indirect costs and allocated to the Profit Centers.

Source: Prepared by the SAO using financial information provided by the DOC.

### 3.2 Cost information not fully integrated into pricing decisions

DOC officials have not developed procedures to include complete program costs into pricing and product decisions, including both direct and indirect overhead costs. DOC officials use an estimated target overhead ratio range of 20 to 40 percent when making program decisions related to pricing and profitability. This range, which includes both direct and indirect overhead costs, is utilized by DOC officials and program personnel to evaluate if a particular good or service can be profitable at an intended price. However, based on our analysis of program costs, this estimated target overhead ratio

<sup>23</sup> Best Practices, Indirect Cost Allocation, GFOA, 2014, <<https://www.gfoa.org/materials/indirect-cost-allocation>>, accessed on December 21, 2022.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

range has been understated. As a result, program decisions related to pricing and production have resulted in program revenues being insufficient to cover program expenses, resulting in recurring program losses. The program has incurred a loss for the past 3 fiscal years (2020, 2021, and 2022). When asked, DOC officials could not provide any information about how this estimated overhead ratio range had been calculated.

Figure 13: Program losses by fiscal year

Fiscal Year	2022	2021	2020
Revenue	\$ 21,911,825	20,414,252	30,346,846
Cost of Goods Sold	(11,363,649)	(11,499,299)	(14,075,649)
Gross Profit Margin	10,548,176	8,914,953	16,271,197
Expenses	(11,922,380)	(12,322,080)	(16,612,334)
Profit / (Loss)	\$ (1,374,204)	(3,407,127)	(341,137)

Source: Prepared by the SAO using the program's Annual Reports for fiscal years 2020 through 2022, provided by the DOC.

### Overhead rate analysis

To analyze the sufficiency of the estimated overhead ratio range in use by the DOC, we performed an analysis at the program level to determine the overhead ratio needed to break even with the expenses incurred during fiscal year 2021 in Figure 14.

Based on Figure 14, as a whole, the program needed to average an overhead ratio of 52 percent in fiscal year 2021 to reach its break-even point. This overhead ratio exceeds the DOC estimated overhead ratio range of 20 to 40 percent.

Figure 14: Overhead ratio needed to break even at the program level, year ended June 30, 2021

Total Direct Costs <sup>1</sup>	\$ 11,499,299
Total Overhead Costs <sup>2</sup>	\$ 12,321,372
Sales Needed to Break Even <sup>3</sup>	\$ 23,820,671
Overhead Ratio Needed to Break Even <sup>4</sup>	52%

<sup>1</sup> Consists of costs of goods sold, offender labor costs, and adjustments.

<sup>2</sup> Consists of all remaining expenses besides total direct costs. These include civilian salaries, wages, and benefits; and operating supplies.

<sup>3</sup> Consists of direct costs and total overhead.

<sup>4</sup> Consists of total overhead costs divided by sales needed to break even.

Source: Prepared by the SAO using the Income Statement Variance Analysis for fiscal year 2021, provided by the DOC.

The various profit centers require different levels of overhead based on the inputs required to produce goods or services. To evaluate the overhead rate necessary for each profit center to break-even, we performed an analysis of revenues and costs for each of the 7 profit centers using data from fiscal years 2017 to 2021. The methodology used and the detailed analysis for the year

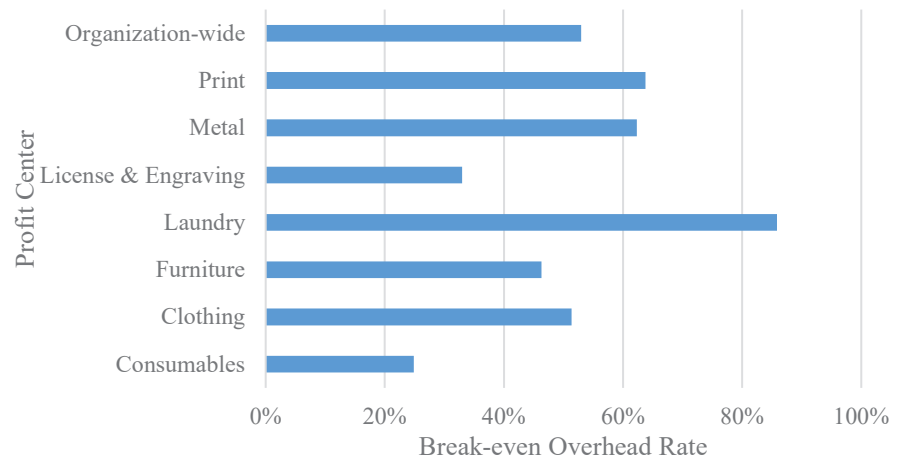




## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

ending June 30, 2021, is in Appendix E. This analysis used the allocation of indirect overhead expenses discussed in section 3.1. The results of this analysis are shown in Figure 15.

Figure 15: Average overhead ratio needed to break even, by profit center and organization-wide, fiscal years 2017 through 2021



Source: Prepared by the SAO using the Annual Reports and Summarized Profit and Loss Reports from 2017 through 2021, provided by the DOC.

DOC-provided overhead rate is not economical for the majority of profit centers

As shown in Figure 15, the DOC target overhead rate range of 20 to 40 percent is not sufficient for 5 of the 7 profit centers (71 percent) for the 5-year period from July 1, 2016, through June 30, 2021.

We continued our analysis to determine the overhead rate needed to break even at the facility level for fiscal year 2021. The methodology used and the detailed analysis for the year ending June 30, 2021, is in Appendix F. Based on this analysis, 14 of the 22 program facilities (64 percent) required an overhead ratio greater than the DOC-provided ratio range to break even, while 8 of the 22 program facilities' overhead rates (36 percent) fell within the DOC provided range.

Revised pricing methodology continues to not cover all costs

The DOC revised the methodology used to estimate the costs of producing an item or service in April 2022. The revised methodology was intended to more accurately reflect the costs associated with producing items by using direct materials and labor as the basis for the calculation. The revised methodology also included a 20 percent general markup in an attempt to ensure prices would cover all costs. However, based on our analysis of the new methodology, these calculations continue to exclude some direct and indirect costs of production, and have resulted in revenues insufficient to cover all program costs. The revised pricing methodology was in place for the entirety of fiscal year 2022, and contributed to the \$1.4 million program loss for fiscal year 2022.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

### Conclusion

Using an overhead rate that is less than what is needed to break even results in program personnel selling goods or performing services believing the costs are being recovered by the selling price, when in reality, the transaction results in a loss to the program. This contributed to profit center losses that could have been avoided (see section 3.1, Figure 12). Ensuring all program costs are considered during the product pricing process would help ensure the program is consistently profitable.

### Recommendations

We recommend the DOC:

- 3.1 Design an indirect overhead allocation method, allocate indirect costs, monitor the results, and make changes to the allocation methodology as necessary.
- 3.2 Ensure all program costs are considered when making product and service decisions and are integrated into the product pricing process.

### Auditee Response

*The department's written response indicates it agrees with these recommendations. The department's full response is included at Appendix A.*

## 4. Financial Practices and Controls

DOC officials need to improve financial practices and controls of program operations. Program officials have not performed periodic comparisons of program selling prices to current market prices, the program has accumulated significant levels of raw materials on hand, and sales forecasts have not been used to budget and plan program operations.

### 4.1 DOC does not perform regular market price comparisons

DOC officials have not established procedures to perform a periodic comparison of program selling prices to current market prices to ensure compliance with state law. Program personnel indicated the current practice is to perform a comparison to market price for products when the product is initially offered and on an as-needed basis, such as when a raw input cost significantly increases due to supply chain disruptions or when market prices change due to external factors. The market price is then documented on the specific item's pricing sheet. MVE program personnel do not document their process for determining the market price, and program policies and procedures do not require a periodic comparison to market price.

Due to the lack of established procedures regarding selling prices, DOC officials do not have assurance the prices charged by the program are comparable to current market prices. Further, Section 217.575(4), RSMo, states, "cost shall not be fixed at more than the market price for like goods and services." Therefore, charging a price above the market price does not comply with state law.

We reviewed pricing for a selection of program products and compared the products' prices to market prices for comparable items. Several products were priced above market prices, while other products were priced below market



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## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

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prices. In addition, we were not able to obtain reasonable comparisons for all items selected for testing, and acknowledge that a comparable market item may not exist for all products manufactured by the MVE. Regular comparisons of active product prices would help provide assurance program prices are consistent with state law. Additionally, since state law<sup>24</sup> requires agencies to purchase goods and services from the MVE unless a waiver certificate is obtained, efforts to ensure prices are not above market and are in compliance with state law are necessary to ensure state funds are used appropriately.

When asked, DOC officials could not provide information as to why the retail price is not compared to the market price regularly, or why price comparisons are not documented.

### 4.2 Excessive raw materials on hand

DOC officials have not established procedures for monitoring levels of raw materials on hand and have not established benchmarks for the amount of raw materials necessary to be on hand for each type of industry. As a result, the DOC has accumulated significant quantities of raw materials on hand, and had more than 100 days' worth of raw materials on hand in the 20 of the 22 facilities (91 percent) as of June 30, 2021.

Program personnel primarily used prior year sales to determine the amount of raw materials to purchase, and did not always consider the amount of raw materials currently on hand. With gross revenues decreasing by approximately 30 percent in total from 2019 through 2021, the use of prior year's sales to guide raw material budgets has contributed to the excessive raw materials on hand. Figure 16 shows the days on hand of raw materials, by profit center, by year for fiscal year (FY) 2019 through 2021.

A DOC official indicated the current value of raw materials may include some obsolete raw materials that should be removed, though they could not provide an estimate of the amount of obsolete raw materials. Program personnel indicated procedures were changed during April 2022 to include a review of the current quantity of on-hand raw materials when deciding to purchase additional raw materials going forward.

Allocating program resources towards the accumulation of raw materials is not an efficient use of program resources. Establishing a benchmark for the appropriate amount of raw materials on hand, and ensuring raw materials are ordered when needed would allow the DOC to use program revenues more efficiently.

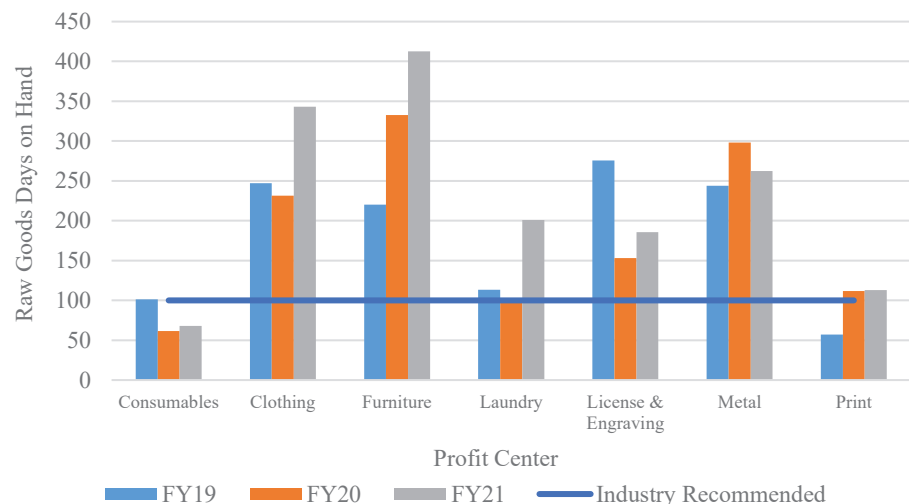
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<sup>24</sup> Section 217.575.2, RSMo.



## Missouri Vocational Enterprise Program Management Advisory Report - State Auditor's Findings

Figure 16: Days on hand raw materials, by profit center, by year, fiscal years 2019, 2020, and 2021



Source: Prepared by the SAO using financial information provided by the DOC.

### 4.3 DOC does not forecast sales

DOC officials have not established a process to forecast program sales at the facility or profit center level. DOC officials have indicated they rely on the prior year's sales as their current year's sales forecast. As a result, DOC officials lack comprehensive financial information to make proactive program decisions. For example, sales forecasting would provide DOC officials with more financial information to estimate the proper overhead ratio (see MAR finding number 3.2) and would provide facility administrators with additional information when making raw materials purchasing decisions (see section 4.2).

The GFOA recommends "governments at all levels forecast major revenues." Additionally, the GFOA states, "The purpose of the financial forecast is to evaluate current and future fiscal conditions to guide policy and programmatic decisions."<sup>25</sup> Additionally, forecasting sales at the facility or profit center level is an integral part of determining the overhead ratio needed to break even and other ratios used in the pricing process.

DOC officials indicated while revenue forecasting at the program level is performed as part of the budget process, sales forecasting at the facility level has not been performed in the past, and the officials have not considered forecasting sales. Preparing such sales forecasts would provide the DOC and program officials with additional information with which to base

<sup>25</sup> Best Practices, Financial Forecasting in the Budget Preparation Process, GFOA, 2014, <<https://www.gfoa.org/materials/financial-forecasting-in-the-budget-preparation-process>>, accessed on December 21, 2022.



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Missouri Vocational Enterprise Program  
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programmatic and pricing decisions. In addition, the monitoring of historical revenue trends would help provide a basis for any revenue forecasts.

## Recommendations

We recommend the DOC:

- 4.1 Establish procedures to periodically perform a documented comparison of the selling prices of the goods provided or services performed to the market prices to ensure MVE prices are not above market prices as required by state law. Regarding products for which a reasonable comparison cannot be obtained, the MVE should compare costs to produce those products with the costs of other products for which a comparison is available and apply a similar gross margin to the products for which no comparison is available.
- 4.2 Established procedures for monitoring levels of raw materials on hand, including establishing benchmarks for the amount of raw materials necessary. In addition, determine if obsolete raw materials exist and take the necessary steps to remove the obsolete raw materials from inventory.
- 4.3 Prepare a documented sales forecast. Use the sales forecast to better project expense ratios and for other capital and logistical considerations.

## Auditee Response

*The department's written response indicates it agrees with these recommendations. The department's full response is included at Appendix A.*



Appendix A  
Missouri Vocational Enterprise Program  
Department of Corrections Responses to Audit Recommendations

Michael L. Parson  
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State of Missouri  
DEPARTMENT OF CORRECTIONS  
*"Improving Lives for Safer Communities"*

July 5, 2023

Honorable Scott Fitzpatrick  
Missouri State Auditor  
Jefferson City, Missouri

We have reviewed the findings from your office's audit of the Missouri Vocational Enterprise Program. Below you will find our responses to the audit findings.

**1.1 The Department of Corrections (Department) should ensure the advisory board vacancies are filled and meetings are held in accordance with state law.**

*Department's Response:* MODOC Response: Agree. The Department agrees with the recommendation.

**1.2 The Department should develop baseline performance measures to be used for future evaluation of program success. Work with DORS personnel as necessary to establish appropriate measures and evaluate future program performance. Consider using guidance provided by the GFOA when developing the program performance measures.**

*Department's Response:* Disagree. The Missouri Department of Corrections (MODOC) and Missouri Vocational Enterprises (MVE) have performance measures that are included in the annual budget book. These measures are available online and to the general public.

**1.3 The Department should develop a strategic planning process for the program and ensure the plan incorporates appropriate performance measures and performance goals, is considered when making operational decisions, and is periodically reviewed and updated as necessary. Consider using guidance provided by the GFOA when developing the strategic planning process.**

*Department's Response:* MODOC Response: Partially Agree. While the Missouri Vocational Enterprises (MVE) does not have a strategic plan specific to their operations, the Missouri Department of Corrections (MODOC) does have a strategic plan and utilizes that plan when making operational/management decisions. Additionally, MVE does have performance





## Appendix A

### Missouri Vocational Enterprise Program

### Department of Corrections Responses to Audit Recommendations

measures that are included in the annual budget book. These measures are available online and to the general public.

- 2.1 The Department should prepare an analysis to determine the preferred locations of program facilities and take steps to begin planning how those location goals can be accomplished. Ensure future analyses to determine the location of program facilities are documented and the methodology used includes the criteria outlined in state law, and obtain input from the Advisory Board prior to making final decisions.**

*Department's Response:* Disagree. The department has and will continue to ensure that factory location determinations are made within the primary goals stated in Section 217.560 RSMo. Additionally, MODOC believes we are in compliance with statutory requirements to provide training and employment for offenders for gainful employment upon release. Ninety six percent of all offenders in MODOC custody are released back into the community. As such, it is imperative that all offenders are offered educational and employment opportunities, regardless of location or security level. In addition to MVE factories and the employment opportunities therein, offenders can also obtain various certifications and technical education that will facilitate employment. Additionally, a 12 year minimum sentence is all that is required to be housed in a maximum security facility. Some apprenticeships and certifications can take more than 3 years to complete. Ultimately, sentence length does not determine an offender's appropriateness to a specific employment opportunity unless they cannot be properly trained in the time that they have remaining on their sentence. These educational and employment opportunities vary from facility to facility. It should be noted that three of the facilities highlighted in the auditor's analysis are Reception and Diagnostic Centers (R&D) and are designed to receive offenders from the county jail to complete the intake process. Once complete, the offenders are ultimately reassigned to another facility for long term housing. These facilities would not be appropriate for MVE operations.

- 2.2 The Department should develop hiring practices that place an increased emphasis on employing offenders with fewer years remaining on their sentences.**

*Department's Response:* Disagree. Ninety six percent of all offenders in MODOC custody are released back into the community. As such, it is imperative that all offenders are offered educational and employment opportunities, regardless of location or security level. In addition to MVE factories and the employment opportunities therein, offenders can also obtain various certifications and technical education that will facilitate employment. Additionally, an 8 year minimum sentence is all that is required to be housed in a maximum security facility. Some apprenticeships and certifications can take more than 3 years to complete. Ultimately, sentence length does not determine an offender's appropriateness to a specific employment opportunity unless they cannot be properly trained in the time that they have remaining on their sentence. These educational and employment opportunities vary from facility to facility.

- 2.3 The Department should periodically review the job skills included in the program, and ensure they align with job market projections. In addition, ensure the Advisory Board is included in the decision making process as it relates to job skills being offered.**



Appendix A  
Missouri Vocational Enterprise Program  
Department of Corrections Responses to Audit Recommendations

*Department's Response:* Disagree. The Missouri Department of Corrections and MVE utilize Department of Labor apprenticeship programs and Bureau of Labor statistics to build programs for offenders. In addition to the hard skills being learned by offenders, offenders who obtain MVE employment are also learning an important set of soft skills. These soft skills are transferrable to any job in the community and increase an offender's likelihood of being successful in the work force. The ability to establish routines, arrive to work on time, give and receive feedback, work within teams, and growth of work ethic are fundamental employment skills that MVE provides to all offenders who work therein regardless of the occupation.

**3.1 The Department should design an indirect overhead allocation method, allocate indirect costs, monitor the results, and make changes to the allocation methodology as necessary.**

*Department's Response:* Agree. Currently, many MVE financial processes are completed manually, which carries numerous limitations. Several years ago, the Department and MVE identified the limitations of the manual processes and began the process of procuring a system that would have accomplished several recommendations contained in this audit. However, shortly thereafter, the State of Missouri began planning for a statewide ERP system, to include MVE and its operations. MVE has, since that time, awaited the arrival of the statewide ERP system, which is currently being developed. As such, the Department and MVE are currently in the process of working with the current vendor on the development and implementation of the new state-wide ERP system. It is believed and anticipated that this system, and the additional modules that will be included for MVE, will allow for increased automation and the successful implementation of this recommendation.

**3.2 The Department should ensure all program costs are considered when making product and service decisions and are integrated into the product pricing process.**

*Department's Response:* Agree. Currently, many MVE financial processes are completed manually, which carries numerous limitations. Several years ago, the Department and MVE identified the limitations of the manual processes and began the process of procuring a system that would have accomplished several recommendations contained in this audit. However, shortly thereafter, the State of Missouri began planning for a statewide ERP system, to include MVE and its operations. MVE has, since that time, awaited the arrival of the statewide ERP system, which is currently being developed. As such, the Department and MVE are currently in the process of working with the current vendor on the development and implementation of the new state-wide ERP system. It is believed and anticipated that this system, and the additional modules that will be included for MVE, will allow for increased automation and the successful implementation of this recommendation.

**4.1 The Department should establish procedures to periodically perform a documented comparison of the selling prices of the goods provided or services performed to the market prices to ensure MVE prices are not above market prices as required by state law. Regarding products for which a reasonable comparison cannot be**





## Appendix A

### Missouri Vocational Enterprise Program

### Department of Corrections Responses to Audit Recommendations

**obtained, MVE should compare costs to produce those products with the costs of other products for which a comparison is available and apply a similar gross margin to the products for which no comparison is available.**

*Department's Response:* Agree. Currently, many MVE financial processes are completed manually, which carries numerous limitations. Several years ago, the Department and MVE identified the limitations of the manual processes and began the process of procuring a system that would have accomplished several recommendations contained in this audit. However, shortly thereafter, the State of Missouri began planning for a statewide ERP system, to include MVE and its operations. MVE has, since that time, awaited the arrival of the statewide ERP system, which is currently being developed. As such, the Department and MVE are currently in the process of working with the current vendor on the development and implementation of the new state-wide ERP system. It is believed and anticipated that this system, and the additional modules that will be included for MVE, will allow for increased automation and the successful implementation of this recommendation.

**4.2 The Department should established procedures for monitoring levels of raw materials on hand, including establishing benchmarks for the amount of raw materials necessary. In addition, determine if obsolete raw materials exist and take the necessary steps to remove the obsolete raw materials from inventory.**

*Department's Response:* Agree. Currently, many MVE financial processes are completed manually, which carries numerous limitations. Several years ago, the Department and MVE identified the limitations of the manual processes and began the process of procuring a system that would have accomplished several recommendations contained in this audit. However, shortly thereafter, the State of Missouri began planning for a statewide ERP system, to include MVE and its operations. MVE has, since that time, awaited the arrival of the statewide ERP system, which is currently being developed. As such, the Department and MVE are currently in the process of working with the current vendor on the development and implementation of the new state-wide ERP system. It is believed and anticipated that this system, and the additional modules that will be included for MVE, will allow for increased automation and the successful implementation of this recommendation.

**4.3 The Department should prepare a documented sales forecast. Use the sales forecast to better project expense ratios and for other capital and logistical considerations.**

*Department's Response:* Agree. Currently, many MVE financial processes are completed manually, which carries numerous limitations. Several years ago, the Department and MVE identified the limitations of the manual processes and began the process of procuring a system that would have accomplished several recommendations contained in this audit. However, shortly thereafter, the State of Missouri began planning for a statewide ERP system, to include MVE and its operations. MVE has, since that time, awaited the arrival of the statewide ERP system, which is currently being developed. As such, the Department and MVE are currently in the process of working with the current vendor on the development and implementation of the new state-wide ERP system. It is believed and anticipated that this system, and the additional



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Appendix A  
Missouri Vocational Enterprise Program  
Department of Corrections Responses to Audit Recommendations

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modules that will be included for MVE, will allow for increased automation and the successful implementation of this recommendation.

Sincerely,

A handwritten signature in black ink, appearing to read "Valarie Moseley", is written over the typed name.

Valarie Moseley, Director  
Division of Offender Rehabilitative Services

Cc: Anne Precythe, Director  
Matt Sturm, Deputy Director



Appendix B  
Missouri Vocational Enterprise Program  
Summary Program Financial Information, 5 Years Ended June 30, 2021

The schedule below provides program receipts and disbursements for the 5 years ended June 30, 2021. This information is from Department of Corrections records and is presented for informational purposes.

		2021	2020	2019	2018	2017
Revenues						
Sales	\$	20,336,503	30,272,100	30,993,689	27,584,011	28,938,431
Other		77,749	74,746	228,843	466,323	509,152
Total Receipts		20,414,252	30,346,846	31,222,532	28,050,334	29,447,583
Cost of Goods Sold		(11,499,299)	(14,075,649)	(12,615,230)	(13,268,399)	(14,165,061)
Gross Margin		8,914,953	16,271,197	18,607,302	14,781,935	15,282,522
Expenses						
Salaries and Wages		(9,060,973)	(10,794,728)	(9,720,547)	(8,955,618)	(8,712,204)
Fuel and Utilities		(177,007)	(1,324,149)	(1,414,485)	(1,428,870)	(1,429,652)
Operating Supplies		(1,069,366)	(1,898,218)	(2,217,928)	(2,082,782)	(1,911,961)
Administrative Supplies		(129,072)	(203,953)	(208,048)	(197,445)	(210,647)
Other		(1,885,662)	(2,391,286)	(2,513,099)	(2,007,284)	(2,169,836)
Total Expenses		(12,322,080)	(16,612,334)	(16,074,107)	(14,671,999)	(14,434,300)
Profit / (Loss)	\$	(3,407,127)	(341,137)	2,533,195	109,936	848,222



## Appendix C

### Missouri Vocational Enterprise Program

#### Facility Relocation Analysis Detail

We performed an analysis for each of the 2 most recent relocations of MVE facilities. This analysis is discussed in MAR finding number 2.1; however, additional details of our analysis are documented in this appendix.

To evaluate the relocations we used 3 statutory criteria:<sup>26</sup> (1) the security level of the institutions (lower security level preferred), (2) population of the offenders in the institutions (larger population preferred), and (3) the physical distance of the institutions from the original institution (closer location preferred). We also used 2 additional criteria based on the program's purpose: (1) the percentage of offenders expected to be released within the next 5 years (higher percentage preferred), and (2) the average remaining expected sentence years for each institution (lower remaining years preferred).

We selected all institutions within 100 miles of the original institution location to be included in the analysis. Using this geographic limitation, there were 6 alternative locations for Relocation A, and 3 alternative locations for Relocation B. The underlying data for the relocations are included in Figures C1 and C3. We then ranked the alternative institutions with the institution selected for each of the 5 criteria for both relocation decisions. The rankings are included in Figures C2 and C4.

Relocation A involved the moving of a facility from JCCC to NECC.

Figure C1: Relocation A - Institutions Available for Relocation within 100 Miles of JCCC

Institution	Security Level	Population	Distance from JCCC (miles)	% Short Term Sentence <sup>3</sup>	Average Years Remaining <sup>4</sup>
JCCC <sup>1</sup>	Maximum	1,836	0	28%	36
NECC <sup>2</sup>	Medium	1,378	103	70%	4
MCC	Medium	1,698	72	76%	4
TCC	Minimum	727	46	97%	1
ACC	Minimum	1,032	1	91%	2
BCC	Minimum	783	57	98%	1
FRDC	Diagnostic Center	1,391	34	94%	2
MECC	Diagnostic Center	1,063	91	85%	3

<sup>1</sup> JCCC was the original location of the MVE facility.

<sup>2</sup> The NECC was the institution chosen by the MVE for the MVE factory relocation.

<sup>3</sup> Within our analysis we categorized all sentences between 0 and 5 years as "Short Term Sentences."

<sup>4</sup> "Average Years Remaining" denotes the average expected years remaining of offender sentences by institution.

Source: Prepared by the SAO using institution and offender data provided by the DOC and geographic location provided by Google Maps.

<sup>26</sup> Section 217.550.1, RSMo.



## Appendix C

### Missouri Vocational Enterprise Program

### Facility Relocation Analysis Detail

Figure C2: Relocation A - Ranking of Categories for Each Applicable Institution<sup>1</sup>

Institution	Security Level <sup>3</sup>	Population <sup>4</sup>	Distance from JCCC (miles) <sup>5</sup>	% Short-term Sentence <sup>6</sup>	Average Years Remaining <sup>7</sup>
NECC <sup>2</sup>	6	3	7	7	6
MCC	6	1	5	6	6
TCC	1	7	3	2	1
ACC	1	5	1	4	3
BCC	1	6	4	1	1
FRDC	1	2	2	3	3
MECC	1	4	6	5	5

<sup>1</sup> The most suitable institution for each category is shaded green and the least suitable institution for each category is shaded orange.

<sup>2</sup> The NECC was the institution chosen by DOC officials for the facility relocation. The remaining institutions were the alternatives we considered in our analysis.

<sup>3</sup> When ranking the security level, we ranked minimum and diagnostic centers as more suitable because these locations are lower security institutions and are preferred due to the nature of the offenses committed by the offenders and the logistics of establishing and operating a facility.

<sup>4</sup> When ranking institution populations, we ranked higher populations as providing higher value to MVE activities due to a larger potential labor population.

<sup>5</sup> When ranking the institutions by distance from the original JCCC location, we ranked geographically closer institutions as more suitable due to less burdensome logistics.

<sup>6</sup> When ranking the percentage of short-term sentences, we ranked institutions with higher percentages of short-term sentences as more suitable due to the statutory purpose of the program to rehabilitate offenders prior to them returning to society.

<sup>7</sup> When ranking the average years remaining, we ranked institutions with lower average remaining sentences as more suitable due to the statutory purpose of the program to rehabilitate offenders prior to them returning to society.

Source: SAO analysis.

Based on the analysis in Figure C2, with NECC ranked last in 4 of the 5 categories, the decision to relocate this facility to NECC is not supported by the established criteria.

Following is the analysis of Relocation B, which involved moving a facility from WERDCC to MECC.



## Appendix C

### Missouri Vocational Enterprise Program

#### Facility Relocation Analysis Detail

Figure C3: Relocation B - Institutions Available for Relocation within 100 Miles of WERDCC

Institution	Security Level	Population	Distance from WERDCC (miles)	% Short Term Sentence <sup>3</sup>	Average Years Remaining <sup>4</sup>
WERDCC <sup>1</sup>	Diagnostic Center	673	0	94%	2
MECC <sup>2</sup>	Diagnostic Center	1,063	97	85%	3
FRDC	Diagnostic Center	1,391	54	94%	2
ACC	Minimum	1,032	85	91%	2
BCC	Minimum	783	89	98%	1

<sup>1</sup> WERDCC was the original location of the MVE facility.

<sup>2</sup> The MECC was the institution chosen by the MVE for the MVE factory relocation.

<sup>3</sup> Within our analysis we categorized all sentences between 0 and 5 years as "Short Term Sentences."

<sup>4</sup> "Average Years Remaining" denotes the average expected years remaining of offender sentences by institution.

Source: Prepared by the SAO using institution and offender data provided by the DOC and geographic location provided by Google Maps.

Figure C4: Relocation B - Ranking of Categories for Each Applicable Institution<sup>1</sup>

Institution	Security Level <sup>3</sup>	Population <sup>4</sup>	Distance from WERDCC (miles) <sup>5</sup>	% Short Term Sentence <sup>6</sup>	Average Years Remaining <sup>7</sup>
MECC <sup>2</sup>	N/A	2	4	4	4
FRDC	N/A	1	1	2	2
ACC	N/A	3	2	3	2
BCC	N/A	4	3	1	1

<sup>1</sup> The most suitable institution for each category is shaded green and the least suitable institution for each category is shaded orange.

<sup>2</sup> The MECC was the institution chosen by DOC officials for the facility relocation. The remaining institutions were the alternatives considered in our analysis.

<sup>3</sup> The security level of all Diagnostic Centers and Minimum security institutions was ranked equally due to no discernable value distinctions identified between the 2 lowest security levels. Therefore, we were unable to rank the institutions for this attribute.

<sup>4</sup> When ranking institution populations, we ranked higher populations as providing higher value to MVE activities due to a larger potential labor population.

<sup>5</sup> When ranking the institutions by distance from the original WERDCC location, we ranked geographically closer institutions as more suitable due to less burdensome logistics.

<sup>6</sup> When ranking the percentage of short-term sentences, we ranked institutions with higher percentages of short-term sentences as more suitable due to the statutory purpose of the program to rehabilitate offenders prior to them returning to society.

<sup>7</sup> When ranking the average years remaining, we ranked institutions with lower average remaining sentences as more suitable due to the statutory purpose of the program to rehabilitate offenders prior to them returning to society.

Source: SAO analysis.

Based on the analysis in Figure C4, with MECC ranked last in 3 of the 4 categories, the decision to relocate this facility to MECC is not supported by the established criteria.



## Appendix D

### Missouri Vocational Enterprise Program Schedule of Indirect Overhead by Profit Center 5 Years Ended June 30, 2021

Indirect Overhead as a Percentage of Total Expenses by Fiscal Year (FY)					
Profit Center	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Profit Center - Consumables	7.39%	8.05%	7.67%	4.50%	8.60%
Profit Center - Clothing	21.67%	28.79%	28.17%	24.62%	24.86%
Profit Center - Furniture	26.28%	24.98%	18.72%	18.45%	17.05%
Profit Center - Laundry	22.62%	30.49%	29.45%	27.63%	26.77%
Profit Center - License & Engraving	11.90%	14.92%	18.23%	15.68%	9.78%
Profit Center - Metal	23.91%	29.45%	25.61%	25.91%	21.91%
Profit Center - Print	20.29%	21.93%	20.05%	19.76%	15.65%
Program Level (1)	22.19%	23.85%	22.14%	20.04%	18.38%

(1) This is a weighted average and does not equal the average of the Profit Centers above.

### Total Indirect Overhead by Profit Center by Fiscal Year (FY)

Profit Center	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	Total Indirect Overhead by Profit Center
Profit Center - Consumables	\$ (245,992)	(316,019)	(303,932)	(169,659)	(340,969)	(1,376,571)
Profit Center - Clothing	(1,086,091)	(2,062,158)	(1,564,354)	(1,306,378)	(1,204,757)	(7,223,738)
Profit Center - Furniture	(1,197,485)	(1,440,832)	(1,162,092)	(996,749)	(1,038,061)	(5,835,219)
Profit Center - Laundry	(844,737)	(1,987,170)	(2,047,069)	(1,802,632)	(1,507,840)	(8,189,448)
Profit Center - License & Engraving	(510,556)	(632,038)	(482,715)	(589,567)	(397,797)	(2,612,673)
Profit Center - Metal	(501,272)	(594,544)	(514,002)	(445,356)	(382,643)	(2,437,817)
Profit Center - Print	(143,884)	(203,538)	(219,010)	(186,625)	(174,273)	(927,330)
Total Indirect Overhead by Year	\$ (4,530,017)	(7,236,299)	(6,293,174)	(5,496,966)	(5,046,340)	(28,602,796)

Appendix E

Missouri Vocational Enterprise Program  
Schedule of Overhead Ratio Analysis by Profit Center  
Year Ended June 30, 2021

Profit/Cost Center	Gross Revenues (1)	Direct Materials Costs (1)	Direct Labor Costs (2)	Total Direct Costs (3)	Direct Overhead Costs (4)	Indirect Overhead Allocation (5)	Total Overhead Costs (6)	Total Sales Needed to Break Even (7)	Overhead Ratio (8)	Profit/(Loss) (9)	Reported Operating Profit/(Loss) (10)
Overhead Cost Centers	\$ 23,170	-	(10,318)	(10,318)	(4,234,353)	-	-	-	-	-	(4,234,309)
Profit Center - Consumables	3,855,505	(2,270,929)	(54,685)	(2,325,614)	(756,968)	(245,992)	(1,002,960)	3,328,574	30%	526,931	772,924
Profit Center - Clothing	4,741,308	(2,294,566)	(241,438)	(2,536,004)	(1,390,389)	(1,086,091)	(2,476,480)	5,012,484	49%	(271,176)	814,915
Profit Center - Furniture	3,066,905	(1,774,429)	(266,201)	(2,040,630)	(1,317,666)	(1,197,485)	(2,515,151)	4,555,781	55%	(1,488,876)	(291,391)
Profit Center - Laundry	1,975,921	(194,009)	(187,785)	(381,794)	(2,507,162)	(844,737)	(3,351,899)	3,733,693	90%	(1,757,771)	(913,078)
Profit Center - License & Engraving	4,823,446	(3,027,558)	(113,496)	(3,141,054)	(639,862)	(510,556)	(1,150,418)	4,291,472	27%	531,974	1,042,530
Profit Center - Metal	1,240,457	(704,063)	(111,433)	(815,496)	(779,489)	(501,272)	(1,280,761)	2,096,257	61%	(855,800)	(354,528)
Profit Center - Print	616,809	(216,405)	(31,985)	(248,390)	(316,944)	(143,884)	(460,828)	709,218	65%	(92,409)	51,476
Cost Center - Tire Recycling (11)	-	-	-	-	(54,774)	-	-	-	-	-	(54,774)
Cost Center - Real Estate (12)	70,731	-	-	-	(240,892)	-	-	-	-	-	(240,892)
Totals	\$ 20,414,252	(10,481,959)	(1,017,341)	(11,499,300)	(12,238,499)	(4,530,017)	(12,238,497)	23,727,479	52%	(3,407,127)	(3,407,127)

(1) Gross Revenues and Direct Materials Costs were obtained from the program's Summarized Profit/Loss Statement for the year ending June 30, 2021, provided by DOC officials.

(2) Direct Labor Costs were obtained by allocating the total offender labor expense to the profit centers based on the number of offenders in the annual report for the year ending June 30, 2021, provided by DOC officials.

(3) Total Direct Costs is the sum of Direct Materials and Direct Labor.

(4) Direct Overhead Costs was obtained from the program's Summarized Profit/Loss Statement for the year ending June 30, 2021, provided by DOC officials, and was calculated by subtracting the offender labor costs from the direct expenses charged to each Profit/Cost Center.

(5) Indirect Overhead Allocation is the SAO calculated amount of the cost centers' Direct Overhead costs allocated to the specific profit center. The allocation was made based each profit center's proportion of the total number of offenders employed in the 7 profit centers, which was obtained from the Annual Report for the year ending June 30, 2021, provided by DOC officials.

(6) Total Overhead Costs is the sum of Direct Overhead Costs and Indirect Overhead Allocation, and only applies to the profit centers.

(7) Total Sales Needed to Break Even is the sum of the Total Direct Costs and Total Overhead Costs, shown as a positive number here, and only applies to the profit centers. This represents the level of sales needed for the profit center to break even based on the expenses incurred during the year ending June 30, 2021.

(8) Overhead Ratio is the Total Overhead Costs divided by Total Sales Needed to Break Even, shown as a positive number. This represents the average remaining margin needed after reducing direct costs from the sales price in order to break even.

(9) Profit/(Loss) is Gross Revenues minus Total Sales Needed to Break Even, and represents each Profit Center's profit or loss after indirect costs have been allocated.

(10) Reported Operating Profit was obtained from the Program Summarized Profit/Loss Statement for the year ending June 30, 2021, provided by DOC officials.

(11) According to a DOC official, the Tire Recycling Center is closed and not expected to generate additional revenue, and therefore, should be treated as indirect and allocated to the Profit Centers.

(12) According to a DOC official, the Real Estate Center captures lease revenue and maintenance/custodial expenditures, and therefore, should be treated as indirect and allocated to the Profit Centers.



Appendix F

Missouri Vocational Enterprise Program  
Schedule of Overhead Ratio Analysis by Program Facility  
Year Ended June 30, 2021

Activity	Gross Revenues (1)	Direct Materials Costs (1)	Direct Labor Costs (2)	Total Direct Costs (3)	Direct Overhead (4)	Indirect Overhead Allocation (5)	Total Overhead (6)	Total Sales Needed to Break Even (7)	Overhead Ratio (8)	Profit/(Loss) (9)	Reported Operating Profit/(Loss) (10)
Overhead Cost Center 1	\$ -	-	-	-	(1,036,022)	-	-	-	-	-	(1,036,022)
Overhead Cost Center 2	-	-	-	-	(36,393)	-	-	-	-	-	(36,393)
Overhead Cost Center 3	23,170	-	(10,318)	(10,318)	(3,040,662)	-	-	-	-	-	(3,040,662)
Overhead Cost Center 4	-	-	-	-	(228)	-	-	-	-	-	(228)
Overhead Cost Center 5	-	-	-	-	(8,539)	-	-	-	-	-	(8,539)
Overhead Cost Center 6	-	-	-	-	(112,465)	-	-	-	-	-	(112,465)
JCCC Consumables	183,017	(51,070)	(8,254)	(59,324)	(88,252)	(37,131)	(125,383)	184,707	68%	(1,690)	35,442
ERDCC Consumables	1,700,887	(932,499)	(25,795)	(958,294)	(317,231)	(116,033)	(433,264)	1,391,558	31%	309,329	425,362
WMCC Consumables	1,971,601	(1,287,360)	(20,636)	(1,307,996)	(351,485)	(92,828)	(444,313)	1,752,309	25%	219,292	312,120
JCCC Clothing	1,437,643	(550,046)	(116,593)	(666,639)	(647,756)	(524,480)	(1,172,236)	1,838,875	64%	(401,232)	123,250
CC Clothing	1,407,071	(724,122)	(52,621)	(776,743)	(184,826)	(236,712)	(421,538)	1,198,281	35%	208,790	445,501
FCC Clothing	1,039,554	(517,041)	(57,780)	(574,821)	(228,557)	(259,919)	(488,476)	1,063,297	46%	(23,743)	236,176
TCC Clothing	519,949	(342,907)	(7,222)	(350,129)	(59,501)	(32,490)	(91,991)	442,120	21%	77,829	110,319
WERCC Clothing	337,091	(160,450)	(7,222)	(167,672)	(269,749)	(32,490)	(302,239)	469,911	64%	(132,820)	(100,330)
SC Furniture	661,975	(407,621)	(53,653)	(461,274)	(270,492)	(241,353)	(511,845)	973,119	53%	(311,144)	(69,791)
TCC Furniture	950,733	(617,747)	(27,858)	(645,605)	(157,013)	(125,318)	(282,331)	927,936	30%	22,797	148,114
SECC Furniture	349,783	(210,571)	(69,130)	(279,701)	(282,260)	(310,975)	(593,235)	872,936	68%	(523,153)	(212,178)
JCCC Furniture	504,188	(229,180)	(69,130)	(298,310)	(394,455)	(310,975)	(705,430)	1,003,740	70%	(499,552)	(188,577)
NECC Furniture	600,226	(309,310)	(46,430)	(355,740)	(213,446)	(208,864)	(422,310)	778,050	54%	(177,824)	31,041
FCC Laundry	442,840	(59,404)	(57,780)	(117,184)	(1,452,530)	(259,919)	(1,712,449)	1,829,633	94%	(1,386,792)	(1,126,874)
NECC Laundry (11)	-	-	-	-	(44)	-	-	-	-	-	(44)
MCC Laundry	1,533,081	(134,605)	(130,005)	(264,610)	(1,054,632)	(584,818)	(1,639,450)	1,904,060	86%	(370,979)	213,839
JCCC License and Engraving (12)	806,967	(602,031)	(26,826)	(628,857)	(169,864)	(120,677)	(290,541)	919,398	32%	(112,431)	8,245
JCCC License and Engraving (13)	3,837,601	(2,363,968)	(65,003)	(2,428,971)	(303,985)	(292,409)	(596,394)	3,025,365	20%	812,236	1,104,646
JCCC License and Engraving (14)	178,878	(61,559)	(21,667)	(83,226)	(166,013)	(97,470)	(263,483)	346,709	76%	(167,831)	(70,361)
PCC Metal	168,133	(123,984)	(27,858)	(151,842)	(206,546)	(125,318)	(331,864)	483,706	69%	(315,573)	(190,255)
MCC Metal	896,490	(501,896)	(83,575)	(585,471)	(535,015)	(375,954)	(910,969)	1,496,440	61%	(599,950)	(223,996)
JCCC Metal	175,834	(78,183)	-	(78,183)	(37,928)	-	(37,928)	116,111	33%	59,723	59,723
MCC Print	616,809	(216,405)	(31,985)	(248,390)	(316,944)	(143,884)	(460,828)	709,218	65%	(92,409)	51,476
CMCC Tire Recycling (15)	-	-	-	-	(54,774)	-	-	-	-	-	(54,774)
CMCC Real Estate (16)	32,535	-	-	-	32,535	-	-	-	-	-	32,535
CMCC Real Estate	38,196	-	-	-	(273,427)	-	-	-	-	-	(273,427)
Totals	\$ 20,414,252	(10,481,959)	(1,017,341)	(11,499,300)	(12,238,499)	(4,530,017)	(12,238,497)	23,727,479	52%	(3,407,127)	(3,407,127)

See next page for explanation of the footnotes for this appendix.

## Appendix F

### Missouri Vocational Enterprise Program Schedule of Overhead Ratio Analysis by Program Facility Year Ended June 30, 2021

- (1) Gross Revenues and Direct Materials Costs were obtained from the Program Summarized Profit/Loss Statement for the year ending June 30, 2021, provided by DOC officials.
- (2) Direct Labor Costs were obtained by allocating the total offender labor expense to the facilities based on the number of offenders in the annual report for the year ending June 30, 2021, provided by DOC officials.
- (3) Total Direct Costs is the sum of Direct Materials and Direct Labor.
- (4) Direct Overhead Costs was obtained from the program's Summarized Profit/Loss Statement for the year ending June 30, 2021, provided by DOC officials, and was calculated by subtracting the offender labor costs from the direct expenses charged to each Profit/Cost Center.
- (5) Indirect Overhead Allocation is the SAO calculated amount of the cost centers' Direct Overhead costs allocated to the specific facility. The allocation was made based each facility's proportion of the total number of offenders employed in the 7 profit centers, which was obtained from the Annual Report for the year ending June 30, 2021, provided by DOC officials.
- (6) Total Overhead Costs is the sum of Direct Overhead Costs and Indirect Overhead Allocation, and only applies to the facilities.
- (7) Total Sales Needed to Break Even is the sum of the Total Direct Costs and Total Overhead Costs, shown as a positive number here, and only applies to the facilities. This represents the level of sales needed for the facility to break even based on the expenses incurred during the year ending June 30, 2021.
- (8) Overhead Ratio is the Total Overhead Costs divided by Total Sales Needed to Break Even, shown as a positive number. This represents the average remaining margin needed after reducing direct costs from the sales price in order to break even.
- (9) Profit/(Loss) is Gross Revenues minus Total Sales Needed to Break Even, and represents the Facility's profit or loss after indirect costs have been allocated.
- (10) Reported Operating Profit was obtained from the Program Summarized Profit/Loss Statement for the year ending June 30, 2021, provided by DOC officials.
- (11) The laundry facility did at the NECC did not have activity, so the miscellaneous de-minimus costs charged to the facility were included in the Overhead Cost Centers for allocation.
- (12) This represents the Graphic Arts Facility at the JCCC.
- (13) This represents the License Plates Facility at the JCCC.
- (14) This represents the Engraving Facility at the JCCC.
- (15) According to a DOC official, the Tire Recycling Center is closed and not expected to generate additional revenue, and therefore, should be treated as indirect and allocated to the Profit Centers.
- (16) According to a DOC official, the Real Estate Center captures lease revenue and maintenance/custodial expenditures, and therefore, should be treated as indirect and allocated to the Profit Centers.



# Scott Fitzpatrick

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## Missouri State Auditor

### Department of Revenue

### Sales and Use Tax

Report No. 2023-040

August 2023

[auditor.mo.gov](https://auditor.mo.gov)



# CITIZENS SUMMARY

## Findings in the audit of the Department of Revenue Sales and Use Tax

### Timely Sales and Use Tax Discounts

As noted in previous audits, state and local governments forego significant revenues because state laws allow retailers to retain a portion of sales and use taxes collected if they remit the taxes in a timely manner to the Department of Revenue (DOR). While several other states have a timely discount in place, Missouri's timely sales and use tax discount is the most generous such discount in the nation. Missouri does not have a monthly cap on the amount of discount retained and the DOR does not routinely report to the General Assembly the amount of timely sales and use tax discounts retained by businesses.

In the areas audited, the overall performance of this entity was **Good**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Department of Revenue

## Sales and Use Tax

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## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Wayne Wallingford, Director  
Department of Revenue  
Jefferson City, Missouri

We have audited certain operations of the Department of Revenue, sales and use tax collections, as required by Section 32.087, RSMo, and in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2022. The objectives of our audit were to:

1. Evaluate the department's internal controls over significant management and financial functions related to the collection and distribution of sales and use taxes.
2. Evaluate the department's compliance with certain legal provisions related to the collection and distribution of sales and use taxes.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions related to the collection and distribution of sales and use taxes.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the department, as well as certain external parties; analyzing comparative data obtained from internal sources; and testing selected transactions. We reviewed sales and use tax collections and distributions, and performed sample testing of sales and use tax transactions using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

Except as discussed in the following paragraph, we conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

*Government Auditing Standards* require us to obtain and report the views of responsible officials of the audited entity concerning the findings, conclusions, and recommendations included in the audit report. Due to the nature of this report, and due to the finding being legislative in nature, we were unable to obtain views of responsible officials for the findings, conclusions, and recommendations outlined in the Management Advisory Report. We obtained the views of responsible Department of Revenue officials and included them in the report.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the department's management and was not subjected to the procedures applied in our audit of the department.

For the areas audited, we identified (1) no significant deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our finding arising from our audit of the Department of Revenue, sales and use tax collections.

A handwritten signature in black ink, reading "S. Fitzpatrick". The signature is stylized with a large, looped "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor



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# Department of Revenue

## Sales and Use Tax

### Introduction

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#### **Background**

The state's sales tax is imposed on the purchase price of tangible personal property or taxable services sold at retail. Use tax is imposed on the storage, use, or consumption of tangible personal property in this state. Cities and counties may impose a local sales and use tax. Special taxing districts (such as transportation development districts) may also impose additional sales taxes. State and local sales and use taxes are collected by the Department of Revenue (DOR). The DOR then distributes the local sales and use taxes to the applicable political subdivisions.

Sales and use tax receipts collected from businesses and motor vehicle sales tax receipts collected from businesses and individuals are deposited into various state and local funds listed below. Marine and ATV sales and use tax collections are deposited into the same funds as state sales and use tax. Motor vehicle leasing sales tax collections are deposited into the same funds as motor vehicle sales tax.

For operating purposes, the DOR has been charged with the responsibility of administering transactions related to sales and use taxes in the following funds and accounts.

#### **State Funds**

The State Treasurer, as fund custodian, and the Office of Administration provide administrative control over fund resources within the authority prescribed by the General Assembly for all state funds.

General Revenue Fund: This fund, authorized by Section 144.700, RSMo, receives collections from a general 3 percent state sales and use tax. State sales tax is collected pursuant to Sections 144.010 to 144.527, RSMo, and state use tax is collected pursuant to Sections 144.600 to 144.752, RSMo. Retail sales of food are not subject to the 3 percent tax as provided by Section 144.014, RSMo. This fund also receives payments from common carriers in interstate air transportation, as authorized by Section 144.807, RSMo. In addition, the General Revenue Fund pays all motor vehicle sales tax refunds and receives motor vehicle sales tax collections as reimbursement from other state funds for their applicable share of the refunds.

Aviation Trust Fund: This fund, authorized by Section 144.805, RSMo, receives collections from a sales and use tax on aviation jet fuel from common carriers. These taxes are paid as a result of exemptions to General Revenue sales tax. The exemptions are a result of direct-pay agreements between common carriers and the DOR.

Conservation Commission Fund: This fund, authorized by Section 254.020, RSMo, receives collections of the 0.125 percent state sales and use tax and





Department of Revenue  
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motor vehicle sales tax provided for in Article IV, Section 43(a), Missouri Constitution.

State Highways and Transportation Department Fund: This fund received 75 percent of the collections from the 4 percent highway use tax during fiscal years 2013 and 2012. Under Section 144.020, RSMo, all motor vehicle transactions are now assessed a sales tax, which goes into the State Road Fund and the State Road Bond Fund. This fund continues to receive some residual highway use tax collections.

Parks Sales Tax Fund: This fund, authorized by Article IV, Section 47(a) and 47(b), Missouri Constitution, receives 50 percent of the collections from a 0.1 percent state sales and use tax and motor vehicle sales tax.

School District Trust Fund: This fund, authorized by Section 144.701, RSMo, receives collections from a 1 percent state sales and use tax pursuant to Section 144.701, RSMo. Retail sales of food are subject to a 1 percent tax to be deposited into this fund as provided by Section 144.014, RSMo. In addition, this fund receives 12.5 percent of collections from the 4 percent motor vehicles sales tax pursuant to Article IV, Section 30(b)(2), Missouri Constitution.

Soil and Water Sales Tax Fund: This fund, authorized by Article IV, Section 47(a) and 47(b), Missouri Constitution, receives 50 percent of the collections from a 0.1 percent state sales and use tax and motor vehicle sales tax.

State Road Bond Fund: This fund, authorized by Article IV, Section 30(b), Missouri Constitution, receives 37.5 percent of the collections from the 4 percent motor vehicle sales tax.

State Road Fund and State Transportation Fund: These funds, authorized by Article IV, Section 30(b), Missouri Constitution, receive 37.5 percent of the collections from the 4 percent motor vehicle sales tax, which is deposited 36.5 percent to the State Road Fund and 1 percent to the State Transportation Fund.

### **Local Funds**

Sales and use tax collections for local funds are deposited into interest-bearing bank accounts under the administrative control of the DOR and allocated to an investment pool until distributed. Subsequently, 99 percent of the collections and earned interest are distributed to the various political subdivisions with the remaining 1 percent going to the General Revenue Fund for a collection fee, except for the Local Fuel Tax and Bond Trust Fund, which has no collection fee withheld from distributions to the fund. The DOR has sole responsibility for maintaining and disbursing fund resources for all local funds.



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Department of Revenue  
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Local Fuel Tax and Bond Trust Fund: This fund, authorized by Article IV, Section 30(b), Missouri Constitution, receives 12.5 percent of the collections from the 4 percent motor vehicle sales tax. In addition, this fund receives collections from the motor fuel tax authorized by Section 142.803, RSMo.

Local Sales and Use Tax Trust Fund: This fund receives collections generated from local sales taxes imposed by local political subdivisions, as authorized by Chapters 66, 67, 70, 92, 94, 162, 190, 238, 321, and 644, RSMo. In addition, this fund receives collections generated by a use tax, authorized by Section 144.757, RSMo, based on the local sales tax in effect, upon all transactions subject to taxes imposed under Sections 144.600 to 144.752, RSMo, except as otherwise provided. Net taxes and interest are subsequently distributed to the cities and counties.

### **Custodial Accounts**

The DOR has shared responsibility with the State Treasurer for maintaining and disbursing account resources of the custodial accounts. The DOR has custody of the Motor Vehicle Clearing Account and the State Treasurer has custody of the Sales Tax Bond Account. Collections for the account held by the DOR are deposited into an interest-bearing bank account and allocated to an investment pool.

Motor Vehicle Clearing Account: The DOR has been charged with the responsibility of administering transactions in the Motor Vehicle Clearing Account and actual custody of account resources ultimately rests with the department. This account receives collections from motor vehicle contracted agent offices and the central office for various taxes and fees. These receipts are held in trust by the DOR until subsequently transferred to various state and local funds.

Sales Tax Bond Account: The DOR has been charged with the responsibility of administering transactions in the Sales Tax Bond Account. The DOR receives cash bonds posted by taxpayers as authorized by Section 144.087, RSMo. All bond collections are deposited in the General Revenue Fund, which is in the custody of the State Treasurer, and reported by the DOR in this account. Cash bonds and related interest are to be refunded to the taxpayer after 1 year if the taxpayer is determined to have satisfactory tax compliance and if the bond was posted before January 1, 1984. If the bond was posted on or after January 1, 1984, the Attorney General has determined that no interest should be refunded. In the event of uncollectible sales tax liabilities, the bonds and related interest, if any, are forfeited to the DOR. The department subsequently distributes the money to the state and the appropriate political subdivisions. Effective August 28, 2018, a bond is no longer required to obtain a retail sales license, but may be required of licensees in default of filing a return and paying taxes when due.

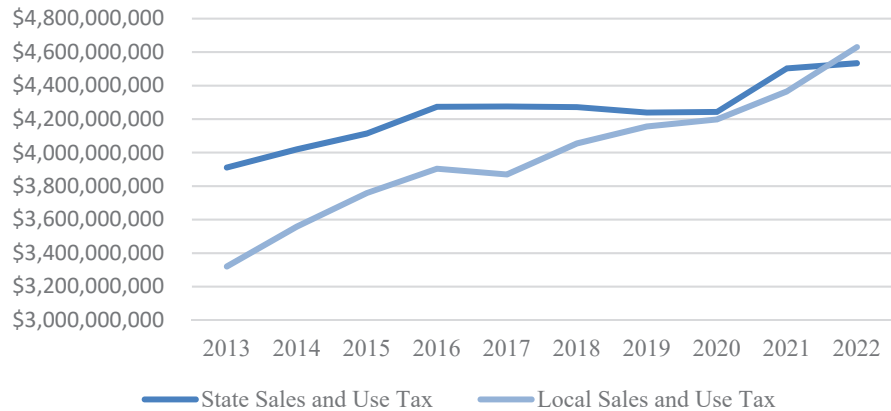


## Department of Revenue Sales and Use Tax Introduction

### Historical sales and use tax trends and information

As shown in Figure 1, when adjusted for inflation, state and local sales and use tax collections have increased for most years between fiscal year 2013 and fiscal year 2022. Adjusted state sales and use tax collections increased from \$3.91 billion to \$4.53 billion (16 percent), while adjusted local sales and use tax collections increased from \$3.32 billion to \$4.63 billion (39 percent) during this time period.

Figure 1: State and local sales and use tax collections, 2013-2022, by fiscal year, adjusted for inflation



Source: DOR annual reports, SAO analysis of Consumer Price Index data from <https://fred.stlouisfed.org/series/CPIAUCSL>. See additional detail at Appendix G.

The state sales and use tax rate has remained at 4.225 percent during these 10 years. In comparison, local sales and use tax rates imposed by political subdivisions are continuously changing as local taxing jurisdictions impose new tax rates and others expire. According to the Tax Foundation,<sup>1</sup> Missouri's average local sales tax rate was 4.07 percent as of July 1, 2022. In addition, the increasing number of districts has contributed to the total increase in local sales tax collections. The total number of districts increased from approximately 430 in fiscal year 2013 to approximately 750 in fiscal year 2022 (74 percent increase).

Local sales and use tax collections are distributed by the DOR to cities, counties, and districts. As shown in Figure 1, and as further illustrated in Figure 2, local sales and use tax collections and subsequent distributions have increased for most years between fiscal year 2013 and fiscal year 2022.<sup>2</sup>

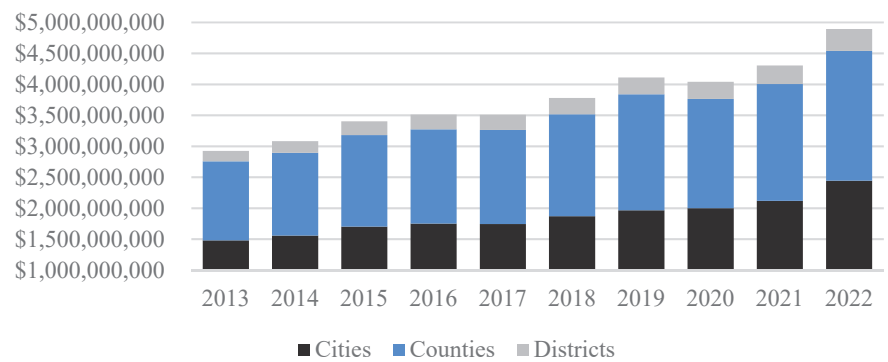
<sup>1</sup> Janelle Fritts, "State and Local Sales Tax Rates, Midyear 2022," <https://taxfoundation.org/2022-sales-tax-rates-midyear/>, (July 2022), accessed on March 30, 2023.

<sup>2</sup> For more detail on local sales and use tax distribution amounts, see Appendix H.



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Figure 2: Local sales and use tax distributions by political subdivision type, 2013-2022, by fiscal year



Source: DOR Records. See additional detail at Appendix H.

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# Department of Revenue

## Sales and Use Tax

### Management Advisory Report - State Auditor's Findings

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#### **Timely Sales and Use Tax Discounts**

Missouri's discount is the most generous in the nation

As noted in multiple previous audit reports,<sup>3</sup> state laws allowing retailers to retain a portion of sales and use taxes collected if they remit the taxes to the Department of Revenue (DOR) timely result in the state and local governments forgoing significant revenues. Missouri's timely sales and use tax discount remains the most generous such discount in the nation, and significantly benefits the state's largest retailers. In addition, the DOR does not routinely report to the General Assembly the amount of timely sales and use tax discounts retained by businesses for its review and consideration.

Missouri's timely sales and use tax discount is the most generous discount in the nation. Section 144.140,<sup>4</sup> RSMo, allows businesses remitting sales and use taxes to retain 2 percent of sales taxes payable to the DOR if the business remits payments timely,<sup>5</sup> which is defined by the due date established by the DOR. Additionally, the total discount is not capped. This resulted in \$158 million of sales and use tax collections being retained by businesses in fiscal year 2022 as their timely payment discount.

As shown in Figure 3, the amount of sales and use tax revenues Missouri has foregone as a result of the timely discount retained by businesses has totaled at least \$100 million annually since fiscal year 2013 and has increased for most years between fiscal year 2013 and fiscal year 2022. State and local sales tax revenues of approximately \$141 million and \$158 million were collected from purchasers, but retained as discounts by businesses remitting sales and use taxes in fiscal years 2021 and 2022, respectively.

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<sup>3</sup> Report No. 2022-037, *Sales and Use Tax*, issued in June 2022; Report No. 2021-074, *Sales and Use Tax*, issued in September 2021; Report No. 2020-041, *Sales and Use Tax*, issued in August 2020; Report No. 2019-067, *Sales and Use Tax*, issued in August 2019; Report No. 2017-113, *Cost of Tax Incentives and Exemptions*, issued in October 2017; Report No. 2015-080, *Sales and Use Tax*, issued in September 2015; and Report No. 2013-015, *Sales and Use Tax*, issued in February 2013.

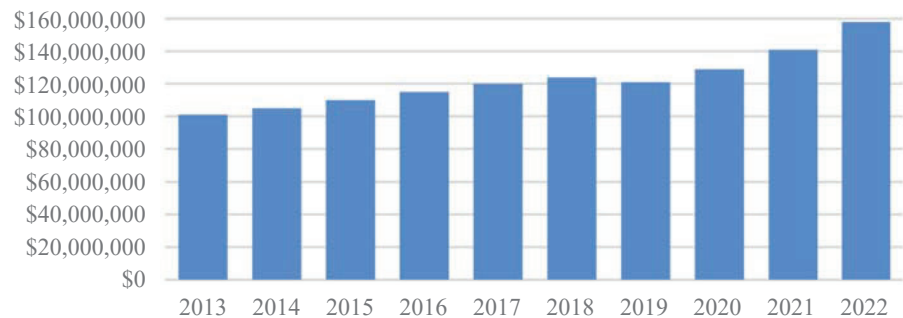
<sup>4</sup> Effective January 1, 2023, Section 144.710, RSMo, was repealed and the discount authorized in that section was added to Section 144.140, RSMo.

<sup>5</sup> Pursuant to 12 Code of State Regulation (CSR) 10-104.030(3)(C), if filing annually, applicable taxes are due by January 31 of the following year; if filing quarterly, applicable taxes are due the last day of the month following the completed quarter; and if filing monthly, applicable taxes are due the last day of the following month. Pursuant to 12 CSR 10-104.030(3)(H), if filing quarter-monthly, applicable taxes are due within 3 business days following the completed quarter-monthly period.



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Figure 3: Timely discount totals, 2013-2022, by fiscal year<sup>6</sup>



Source: DOR records

In fiscal year 2022, sales and use taxes comprised approximately 19 percent of Missouri's general revenue. With sales and use tax revenues being used to fund significant portions of state and local government budgets, such large discounts can have a significant impact on programs and services offered by government entities.

Other states may allow a higher percentage discount than Missouri's 2 percent, but these other states cap their discount, unlike Missouri. According to the Federation of Tax Administrators,<sup>7</sup> 27 other states offer similar vendor discounts; however, 18<sup>8</sup> of those states have established ceilings to limit the amount of discount and/or compensation retained by businesses. In addition, the other 9 states either have a lower discount rate than Missouri or only apply the highest discount rate to a limited dollar amount of sales tax collected (e.g., the first \$3,000, then a lower rate applies).

Cap on discount would result in increased revenue

Changing state law to include a monthly cap on the amount of timely discounts eligible to be retained would significantly increase state and local revenues. For example, Arkansas's timely discount rate is also 2 percent, but Arkansas has a cap of \$1,000 per month. Applying Arkansas's cap of \$1,000 per month (the largest cap of contiguous states) to Missouri would have resulted in approximately \$93.2 million in additional state and local sales tax revenue during fiscal year 2022.

<sup>6</sup> Timely discount totals included in Figure 3 are as of June 30 for each fiscal year; however, adjustments can be made to these amounts in subsequent years for various reasons, such as amended tax returns or audited tax returns.

<sup>7</sup> "State Sales Tax Rates and Vendor Discounts (January 1, 2023)," <<https://taxadmin.memberclicks.net/assets/docs/Research/Rates/vendors.pdf>>, accessed on March 29, 2023. This report did not list that Missouri has a 2 percent discount.

<sup>8</sup> The Federation of Tax Administrators report did not list that Colorado established a cap, effective January 2020. We updated the number of states with established ceilings for this total.



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Cap on discount would only impact the state's largest retailers

In fiscal year 2022, 2,623 sales tax filers received timely discounts in excess of \$1,000 in at least 1 month during the year. This is an increase of 382 filers from fiscal year 2021 and 482 filers from fiscal year 2020. Limiting the 2,623 filers to Arkansas's \$1,000 monthly cap would have resulted in an additional \$47.4 million in state sales tax revenue and \$45.8 million in local sales tax revenue in fiscal year 2022.

In fiscal year 2022, the 50 largest sales tax collecting businesses retained approximately 58 percent of timely discounts exceeding \$1,000, with the top 5 largest sales tax collecting businesses receiving a total of \$25 million in discounts. A monthly timely discount cap of \$1,000 would not affect the majority of sales tax filers. Based on the state's average sales tax rate of 8.30 percent,<sup>9</sup> only businesses with monthly taxable sales of approximately \$602,000 would have their timely discount capped. Retailers with less than \$602,000 in monthly taxable sales would continue to receive the full 2 percent timely discount.

The state established the timely sales tax discount so businesses could recover a portion of their costs for compliance with state sales tax laws and to encourage timely remittance of sales and use taxes. With increased use of electronic systems to calculate and remit sales tax collections, it is not clear if the continued use of such a discount, as currently constructed, is necessary to achieve these objectives.<sup>10</sup> The current law allowing uncapped timely discounts results in the state and local governments providing a significant subsidy to the largest retailers in the state.

Other states have taken action to change timely discount laws

Other states are reviewing their timely discount structure and making changes to reduce the amount of sales and use tax revenues retained by businesses. For example, Oklahoma had a discount of 1 percent with a cap of \$2,500 per month. However, as of July 2019, Oklahoma no longer offers a timely discount to sales tax filers. In addition, Colorado did not have a cap on the timely discount amount until January 2020, when a cap of \$1,000 per filing period was established, and as of January 2022, Colorado's timely discount is no longer available to businesses whose taxable sales exceeded \$1 million during the filing period.

Amounts of timely discounts are not routinely reported

The DOR is not required to report, and does not routinely report, the amount of timely discounts retained by businesses to the General Assembly, local governments impacted, or the general public. DOR officials have stated this

<sup>9</sup> Janelle Fritts, "State and Local Sales Tax Rates, Midyear 2022," <<https://taxfoundation.org/2022-sales-tax-rates-midyear/>>, (July 2022), accessed on March 30, 2023. Calculation regarding the estimated monthly taxable sales was based on this estimated average sales tax rate.

<sup>10</sup> "Timely Filing Discount Costs Missourians Millions," <<http://www.mobudget.org/timely-filing-discount/>>, (October 2016), accessed on March 30, 2023.



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data is provided upon request. This information could be useful to the General Assembly when making various budget decisions and ensuring the state and local policymakers and the general public are informed of the ongoing cost of these discounts.

## Recommendation

The General Assembly evaluate the continued necessity of a timely sales tax discount. If such a discount is deemed necessary, consider possible reductions to the timely payment discount, the implementation of a monthly cap on the amount of discount retained, and changes to current state laws to require the DOR annually report the reduction of state revenue related to the timely discount to the General Assembly, applicable political subdivisions, and to the general public.

## Auditee's Response

*Due to this recommendation being legislative in nature, no management response can be obtained. While the recommendation is not addressed to the DOR, department officials provided a written response. That response is included at Appendix A.*



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# Department of Revenue

## Sales and Use Tax

### Organization and Statistical Information

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The Department of Revenue (DOR) was created by Article IV, Section 12, of the Missouri Constitution as the central collection agency for state revenues. Article IV, Section 15, of the Missouri Constitution establishes the DOR as the custodian of nonstate funds, which are defined as taxes and fees imposed by political subdivisions and collected by the DOR, all taxes that are imposed by the state, collected by the DOR and distributed by the DOR to political subdivisions, and other money designated as "nonstate funds." The Director of Revenue is appointed by the Governor, with the advice and consent of the Senate, and is responsible for all operations and policies. DOR responsibilities include:

- 1) Administering and collecting state taxes and fees, including sales and use tax and motor vehicle sales tax.
- 2) Collecting certain taxes and fees for local governments, including local sales and use tax.
- 3) Titling and licensing motor vehicles, trailers, and boats.
- 4) Licensing motor vehicle operators.

The DOR consists of 3 divisions, the General Counsel's office, and the Director's office.

Motor Vehicle and Driver Licensing Division: This division collects motor vehicle sales and use taxes and consists of 3 bureaus. (1) The Motor Vehicle Bureau issues titles and registers motor vehicles, trailers, all-terrain vehicles, manufactured homes, and marine craft. The bureau also issues registration certificates to motor vehicle and salvage dealers and leasing companies. (2) The Driver License Bureau issues, renews, suspends, revokes, and reinstates driver and nondriver licenses and driving permits. The bureau processes and maintains records relating to license issuance, traffic violation point assessments, failure to appear in court for traffic violations, and administers administrative alcohol and abuse and lose laws for alcohol/drug offenders. (3) The License Offices Bureau manages the operations of the contract license offices throughout the state. These local offices provide driver licensing and motor vehicle services and are operated by individuals or businesses approved through the state of Missouri bid process.

Taxation Division: This division consists of 5 bureaus that collect taxes and administer state tax law. (1) The Processing Bureau processes returns and payments for individual income, corporate income, property tax credit, sales, use, employer withholding, insurance, financial institution tax, and tire and lead-acid battery fees. This bureau also processes business tax registration applications, business tax account updates, MyTax portal communications, and handles tax-related cashiering functions. (2) The Income Tax Bureau administers individual, corporate, property tax credit, fiduciary, and partnership taxes. This bureau's functions include manually reviewing exceptions, processing incoming correspondence, returned refunds and



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Organization and Statistical Information

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returned mail, answering correspondence, responding to protests, and identification of non-filers and under-reporters for income tax. The bureau is also responsible for the administration of several tax credit programs and the redemption of tax credits claimed by individual and corporate taxpayers. This bureau also identifies and works to prevent individual income tax fraud. (3) The Business Tax Bureau administers motor fuel, cigarette and other tobacco products, financial institutions, sales and use, and employer withholding taxes, along with multiple county fees, and tire and battery fees. Administrative functions include answering correspondence, processing sales and use tax exemptions, responding to tax protests, and distribution of funds to both state and local jurisdictions. (4) The Collections and Taxpayer Assistance Bureau provides tax assistance to individuals and businesses and follows procedures for unpaid tax liabilities. This bureau is comprised of 3 main areas of focus: call center, taxpayer assistance, and collections enforcement. The overall focus is account resolution and customer assistance. (5) The Field Compliance Bureau conducts audits to help educate Missouri businesses on their sales, consumer use, vendor use, employer withholding, and corporate income taxes, in addition to tire and battery fee obligations. The bureau also conducts audits of certain large sales and use tax refund claims. The Nexus section identifies taxpayers who have not complied with the business tax laws of Missouri and works with those taxpayers to become compliant. The Electronic Services section maintains the electronic interfaces between Missouri taxpayers, taxpayer representatives, and software developers. This section also handles the system administration functions for several internal and contracted applications.

Administration Division: This division provides administrative support to all other areas of the DOR and consists of 2 bureaus. (1) The Human Resources and Total Rewards Bureau is responsible for the DOR's personnel matters, process improvements, and training. (2) The Financial and General Services Bureau is responsible for all accounting, procurement, banking, and general service matters. This bureau also coordinates space and location needs, telecommunications, safety issues, maintenance, and improvement of the work environment within the DOR. In addition, included in the division is the Technical Communications Office that develops and maintains department forms, policies, and procedures. The office also maintains the public and internal website.

General Counsel's Office: This office ensures the DOR's compliance with law and internal policies, advises the director and divisions on legal matters relative to the DOR, and represents the DOR in courts and administrative tribunals. This office also consists of 2 investigation bureaus. (1) The Criminal Tax Investigation Bureau investigates and develops information leading to local prosecution of individuals and businesses suspected of violating state statutes related to sales, withholding, and income tax. (2) The Compliance and Investigation Bureau conducts investigations involving



Department of Revenue  
Sales and Use Tax  
Organization and Statistical Information

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allegations of fraud relating to motor vehicle sales tax, titling and registration, odometer, and motor fuel sales tax as well as cigarette tax fraud, driver's license fraud and license plate fraud. The bureau also ensures the compliance of motor vehicle dealers, salvage businesses, and marine dealers with statutes and licensure regulations. In addition to external investigations, the bureau conducts internal audits and investigations of the DOR and contract license offices.

Director's Office: This office includes the Director, Chief Operating Officer, and key administrative staff responsible for the overall guidance and direction of the DOR. This office includes the Strategy and Communications Office and the Legislative Office. The Strategy and Communications Office develops and maintains positive media and public relations for the DOR. Additionally, the office handles graphic design, video and social media for the DOR. The Legislative Office serves as the DOR's liaison to the General Assembly. The office provides technical assistance, develops fiscal and revenue estimates on proposed legislation, and monitors the progress of bills through the Legislature.

Kenneth J. Zellers served as Director of Revenue from October 2, 2019, through October 12, 2021. Joseph Plaggenberg was appointed Acting Director of Revenue on October 12, 2021. Wayne Wallingford was appointed Director of Revenue on January 1, 2022.



Appendix A  
Department of Revenue - Sales and Use Tax  
Department of Revenue Response to Audit Recommendation

MICHAEL L. PARSON  
GOVERNOR



WAYNE WALLINGFORD  
DIRECTOR OF REVENUE

MISSOURI DEPARTMENT OF REVENUE  
POST OFFICE BOX 311  
JEFFERSON CITY, MISSOURI 65105-0311  
PHONE: (573) 751-4460  
FAX: (573) 751-7150  
WEBSITE: [www.dor.mo.gov](http://www.dor.mo.gov)

July 17, 2023

Scott Fitzpatrick  
Missouri State Auditor  
Missouri State Auditor's Office  
PO Box 869  
Jefferson City, MO 65102

Dear Mr. Fitzpatrick:

The Department of Revenue acknowledges the recommendation in the Missouri State Auditor's report on Sales and Use Tax.

**Recommendation** — The General Assembly evaluate the continued necessity of a timely sales tax discount. If such a discount is deemed necessary, consider possible reductions to the timely payment discount, the implementation of a monthly cap on the amount of discount retained, and changes to current state laws to require the DOR annually report the reduction of state revenue related to the timely discount to the General Assembly, applicable political subdivisions, and to the general public.

**DOR Response** — If the General Assembly passes legislation that requires action, the Department of Revenue will incorporate those provisions into our processes and comply with any state laws regarding this recommendation.

If you have any questions, please contact me at 751-1115, or [Joshua.Shope@dor.mo.gov](mailto:Joshua.Shope@dor.mo.gov).

Sincerely,

Wayne Wallingford

JKS/

c: Lynn Kempker  
Daniel Follett

Cheryl Bosch  
Dustin Birch

Brooklyn Wasser

Appendix B

Department of Revenue  
Sales and Use Tax  
Combined Statement of Receipts and Distributions - State Funds  
Year Ended June 30, 2022

	General Revenue Fund	Aviation Trust Fund	Conservation Commission Fund	State Highways and Transportation Department Fund	Parks Sales Tax Fund	School District Trust Fund	Soil and Water Sales Tax Fund	State Road Bond Fund	State Road Fund	State Transportation Fund	Total (Memorandum Only)
Receipts											
Marine/ATV/Manufactured sales and use tax	\$ 12,135,544	0	497,989	0	199,195	3,982,952	199,196	0	0	0	17,014,876
Motor vehicle sales and use tax	6,152,383	0	16,174,220	8,988	6,469,692	64,697,092	6,469,694	194,091,275	188,917,688	5,175,767	488,156,799
Sales and use tax	2,725,659,844	6,151,083	131,687,821	0	52,673,916	1,050,625,699	52,674,127	8,614,176	8,384,438	229,700	4,036,700,804
Total Receipts	2,743,947,771	6,151,083	148,360,030	8,988	59,342,803	1,119,305,743	59,343,017	202,705,451	197,302,126	5,405,467	4,541,872,479
Distributions											
Transmitted to State Treasurer	2,743,947,771	6,151,083	148,360,030	8,988	59,342,803	1,119,305,743	59,343,017	202,705,451	197,302,126	5,405,467	4,541,872,479
Total Distributions	2,743,947,771	6,151,083	148,360,030	8,988	59,342,803	1,119,305,743	59,343,017	202,705,451	197,302,126	5,405,467	4,541,872,479
Receipts Over (Under) Distributions	\$ 0	0	0	0	0	0	0	0	0	0	0

Source: DOR records

## Appendix C

### Department of Revenue

#### Sales and Use Tax

#### Combined Statement of Receipts, Distributions, and Changes in Cash and Investments - Local Funds

Year Ended June 30, 2022

	Local Fuel Tax and Bond Trust Fund	Local Sales and Use Tax Trust Fund	Total (Memorandum Only)
Receipts			
Motor fuel taxes and fees	\$ 239,230,025	0	239,230,025
Sales tax	64,697,091	4,321,281,492	4,385,978,583
Use tax	727	308,661,113	308,661,840
Miscellaneous tax <sup>1</sup>	0	(18,140,563)	(18,140,563)
Protested tax	0	42	42
Motor fuel bond	6,335	0	6,335
Motor fuel pool bond	8,653	0	8,653
Interest income <sup>2</sup>	(1,080)	371,679	370,599
Total Receipts	<u>303,941,751</u>	<u>4,612,173,763</u>	<u>4,916,115,514</u>
Distributions			
Political subdivisions	302,610,474	4,563,159,636	4,865,770,110
General Revenue Fund	0	44,188,636	44,188,636
Refunds to taxpayers	6,335	0	6,335
Protest settlements	0	21,863	21,863
Total Distributions	<u>302,616,809</u>	<u>4,607,370,135</u>	<u>4,909,986,944</u>
Receipts Over (Under) Distributions	<u>1,324,942</u>	<u>4,803,628</u>	<u>6,128,570</u>
Cash and Investments, July 1	<u>34,840,483</u>	<u>664,467,948</u>	<u>699,308,431</u>
Cash and Investments, June 30	<u>\$ 36,165,425</u>	<u>669,271,576</u>	<u>705,437,001</u>

<sup>1</sup> Negative miscellaneous tax is due to more sales and use taxes distributed from than deposited into the Suspense Holding Account.

<sup>2</sup> Negative interest income is due to bank service charges exceeding interest earnings.

Source: DOR records

## Appendix D

### Department of Revenue Sales and Use Tax Combined Statement of Additions, Deductions, and Changes in Cash and Investments - Custodial Accounts Year Ended June 30, 2022

	Motor Vehicle Clearing Account <sup>1</sup>	Sales Tax Bond Account <sup>2</sup>	Total (Memorandum Only)
<b>Additions</b>			
Miscellaneous tax collections	\$ 1,288,060,108	0	1,288,060,108
Bond collections net of forfeitures	0	254,485	254,485
Interest income	32,557	0	32,557
<b>Total Additions</b>	<u>1,288,092,665</u>	<u>254,485</u>	<u>1,288,347,150</u>
<b>Deductions</b>			
Miscellaneous taxes and interest	1,279,212,206	0	1,279,212,206
Bonds and interest	0	113,384	113,384
<b>Total Deductions</b>	<u>1,279,212,206</u>	<u>113,384</u>	<u>1,279,325,590</u>
<b>Additions Over (Under) Deductions</b>	8,880,459	141,101	9,021,560
Cash and Investments, July 1	47,543,732	6,830,280	54,374,012
Cash and Investments, June 30	<u>\$ 56,424,191</u>	<u>6,971,381</u>	<u>63,395,572</u>

<sup>1</sup> Held by the department in trust.

<sup>2</sup> Held within the General Revenue Fund, which is in the custody of the State Treasurer.

Source: DOR records

Appendix E

Department of Revenue  
Sales and Use Tax  
Combined Statement of Distributions - Local Funds  
Year Ended June 30, 2022

	Local Fuel Tax and Bond Trust Fund	City Sales Tax Trust Fund	City Alternate Sales Tax Trust Fund	St. Louis Capital Improvements Trust Fund	Public Mass Transportation Sales Tax Trust Fund	Local Option Use Tax Trust Fund	County Sales Tax Trust Fund	County Alternate Sales Tax Trust Fund	Districts Sales Tax Trust Fund	Total (Memorandum Only)
Cities <sup>1</sup>	\$ 173,163,614	802,342,954	880,201,781	40,181,859	330,125,372	217,470,736	0	0	0	2,443,486,316
Counties <sup>1</sup>	129,446,859	0	0	0	238,137,912	85,481,698	567,964,525	1,074,932,867	0	2,095,963,861
Districts: <sup>1</sup>										
Ambulance Districts	0	0	0	0	0	0	0	0	77,975,806	77,975,806
Emergency Service Districts	0	0	0	0	0	0	0	0	18,425,091	18,425,091
Fire Protection Districts	0	0	0	0	0	0	0	0	26,230,656	26,230,656
Hospital Districts	0	0	0	0	0	0	0	0	827,464	827,464
Public Library Districts	0	0	0	0	0	0	0	0	2,109,747	2,109,747
Regional Jail Districts	0	0	0	0	0	0	0	0	1,376,009	1,376,009
Regional Recreation Districts	0	0	0	0	0	0	0	0	8,991	8,991
Tourism Community Districts	0	0	0	0	0	0	0	0	11,136,379	11,136,379
Zoological Districts	0	0	0	0	0	0	0	0	20,770,102	20,770,102
Transportation Development Districts	0	0	0	0	0	0	0	0	96,648,575	96,648,575
Community Improvement Districts	0	0	0	0	0	2,976,343	0	0	93,849,702	96,826,045
Port Improvement Districts	0	0	0	0	0	71,349	0	0	290,404	361,753
Total	\$ 302,610,473	802,342,954	880,201,781	40,181,859	568,263,284	306,000,126	567,964,525	1,074,932,867	349,648,926	4,892,146,795

<sup>1</sup> Local sales and use tax distributions by political subdivision are available in the Department of Revenue's annual Financial and Statistical Report. However, the Department of Revenue does not report distributions for political subdivisions with less than 6 taxpayers. For this schedule, all local sales and use tax distributions have been included in the amounts reported. The Department of Revenue's annual Financial and Statistical Report is accessible through the Department of Revenue's website at <http://www.dor.mo.gov>.

Source: DOR records



Appendix F

Department of Revenue  
Sales and Use Tax  
Comparative Statement of State and Local Sales and Use Tax Collections

	Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
State Sales and Use Tax <sup>1</sup>	\$ 3,192,624,294	3,331,915,714	3,430,314,960	3,588,844,184	3,659,746,431	3,742,345,985	3,786,770,305	3,848,057,504	4,191,492,838	4,533,874,791
Local Sales and Use Tax	2,710,095,629	2,950,216,388	3,134,151,262	3,277,995,153	3,312,491,891	3,552,265,312	3,713,055,431	3,807,723,698	4,063,242,659	4,629,942,605
Total Collections	\$ 5,902,719,923	6,282,132,102	6,564,466,222	6,866,839,337	6,972,238,322	7,294,611,297	7,499,825,736	7,655,781,202	8,254,735,497	9,163,817,396

<sup>1</sup> State sales and use tax total collections for 2021 and 2022 were adjusted to exclude medical marijuana tax collections of \$2,024,672 and \$10,778,767, respectively.

Source: DOR annual reports

Appendix G

Department of Revenue  
Sales and Use Tax

Comparative Statement of State and Local Sales and Use Tax Collections - Adjusted for Inflation

	Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
State Sales and Use Tax <sup>1</sup>	\$ 3,911,241,262	4,019,031,184	4,114,248,751	4,273,691,726	4,275,538,860	4,271,977,366	4,238,870,043	4,242,927,669	4,503,052,763	4,533,874,791
Local Sales and Use Tax	3,320,101,857	3,558,616,928	3,759,036,143	3,903,524,378	3,869,854,939	4,054,995,736	4,156,354,404	4,198,454,991	4,365,269,556	4,629,942,605
Total Collections	\$ 7,231,343,119	7,577,648,112	7,873,284,894	8,177,216,104	8,145,393,799	8,326,973,102	8,395,224,447	8,441,382,660	8,868,322,319	9,163,817,396

<sup>1</sup> State sales and use tax total collections for 2021 and 2022 were adjusted to exclude medical marijuana tax collections of \$2,024,672 and \$10,778,767, respectively, prior to adjusting for inflation.

Source: DOR annual reports, SAO analysis of Consumer Price Index data from <<https://fred.stlouisfed.org/series/CPIAUCSL>>

Appendix H

Department of Revenue  
Sales and Use Tax  
Comparative Statement of Distributions - Local Funds

	Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Cities <sup>1</sup>	\$ 1,479,663,181	1,556,763,139	1,702,603,661	1,751,813,928	1,743,115,737	1,870,426,160	1,965,323,136	2,000,640,072	2,119,172,692	2,443,486,316
Counties <sup>1</sup>	1,275,642,722	1,336,010,850	1,477,149,378	1,521,425,739	1,520,155,318	1,645,773,164	1,873,697,822	1,763,428,384	1,885,656,616	2,095,963,861
Districts <sup>1</sup>										
Ambulance Districts	40,622,866	43,754,650	49,247,153	53,054,189	54,854,636	57,517,087	57,995,103	61,814,696	71,690,211	77,975,806
Emergency Service Districts	7,524,813	10,430,448	13,184,536	13,813,028	14,101,642	14,829,750	14,855,612	15,426,020	17,492,126	18,425,091
Fire Protection Districts	14,207,178	15,240,684	16,945,905	17,701,780	17,955,973	19,333,947	19,686,410	20,535,710	22,616,702	26,230,656
Hospital Districts	329,590	383,322	394,732	417,350	403,102	369,693	586,903	739,467	788,299	827,464
Public Library Districts	623,720	1,064,213	1,202,701	1,227,514	1,194,950	1,520,400	1,718,768	1,784,156	1,999,479	2,109,747
Regional Jail Districts	895,020	936,890	1,035,556	1,058,124	1,081,865	1,079,528	1,087,843	1,150,321	1,276,363	1,376,009
Regional Recreation Districts	3,146	3,857	5,383	3,528	4,639	13,888	14,045	8,992	10,551	8,991
Tourism Community Districts	7,401,168	7,531,710	7,936,743	8,217,319	8,127,822	8,359,606	8,393,574	8,130,751	8,439,339	11,136,379
Zoological Districts	14,249,348	14,986,687	16,515,801	17,239,588	17,131,267	17,862,598	17,824,419	17,850,125	18,300,003	20,770,102
Transportation Development Districts	51,515,254	60,401,992	71,639,918	74,911,843	74,945,567	78,091,563	79,642,576	77,416,207	77,086,334	96,648,575
Community Improvement Districts <sup>2</sup>	27,846,354	30,357,558	40,712,899	46,456,789	49,905,510	62,795,570	67,805,212	71,760,338	78,026,063	96,826,045
Community Development Districts	3,177,621	3,238,916	3,607,775	3,770,163	3,854,222	0	0	0	0	0
Port Improvement Districts	0	0	0	131,268	205,849	278,081	214,145	259,287	219,204	361,753
Total Districts	168,396,078	188,330,927	222,429,102	238,002,483	243,767,044	262,051,711	269,824,610	276,876,070	297,944,674	352,696,618
Total Local Distributions	\$ 2,923,701,981	3,081,104,916	3,402,182,141	3,511,242,150	3,507,038,099	3,778,251,035	4,108,845,568	4,040,944,526	4,302,773,982	4,892,146,795

<sup>1</sup> For fiscal years prior to fiscal year 2015, sales and use tax distributions for political subdivisions with less than 6 taxpayers are not included in the amounts reported.

<sup>2</sup> In fiscal year 2018 and subsequent years, the Department of Revenue combined Community Development Districts with Community Improvement Districts.

Source: DOR records



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Ralls County, Missouri

The Office of the State Auditor contracted for an audit of Ralls County's financial statements for the year ended December 31, 2022, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by Daniel Jones & Associates, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive style with a large, stylized "S" and "F".

Scott Fitzpatrick  
State Auditor

August 2023  
Report 2023-039

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORTS  
AND SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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## **FINANCIAL SECTION**



**Daniel Jones  
& Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

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INDEPENDENT AUDITOR'S REPORT

To the County Commission  
The County of Ralls, Missouri

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the financial statements of the County of Ralls ("County"), Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash Balances - All Governmental Funds - Regulatory Basis and the Statements of Assets and Liabilities Arising From Cash Transactions - Fiduciary Funds - Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash Balances - Budget and Actual - All Governmental Funds - Regulatory Basis for the year then ended, and the related notes to the financial statements.

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash of each fund of the County as of December 31, 2022, and their respective cash receipts and disbursements, and budgetary results for the year then ended in accordance with the financial reporting provisions prescribed or permitted by Missouri law described in Note I.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2022, or changes in net position and cash flows thereof for the year then ended.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note I of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note I and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting, a financial reporting framework prescribed or permitted by Missouri law. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.


We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole that collectively comprise the County of Ralls' basic financial statements. The Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note I.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2023, on our consideration of the County of Ralls' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Ralls' internal control over financial reporting and compliance.



DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

July 27, 2023

## **FINANCIAL STATEMENTS**

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

FUND	CASH BALANCES JANUARY 1, 2022	RECEIPTS 2022	DISBURSEMENTS 2022	CASH BALANCES DECEMBER 31, 2022
General Revenue Fund	\$ 584,842.86	\$ 4,438,974.56	\$ 3,938,350.17	\$ 1,085,467.25
Special Road and Bridge Fund	424,985.30	2,937,227.33	3,051,861.37	310,351.26
Capital Improvement Fund	1,060,798.10	14,607.36	81,475.61	993,929.85
Assessment Fund	249,336.83	365,430.26	337,989.93	276,777.16
Election Services Fund	14,364.95	2,828.00	673.84	16,519.11
Prosecuting Attorney Training Fund	19,019.33	4,140.69	-	23,160.02
Prosecuting Attorney Tax Fund	4,296.57	74.10	-	4,370.67
Prosecuting Attorney Administrative Fund	8,302.56	1,224.52	1,049.27	8,477.81
Recorder's Users Fund	113,828.60	6,707.21	-	120,535.81
Domestic Fund	265.02	492.07	265.02	492.07
Inmate Security Fund	27,588.55	9,144.52	30,304.78	6,428.29
Sheriff's Fund	8,112.94	5,781.95	1,383.99	12,510.90
Recorder's Tech Fund	13,531.65	2,894.03	641.25	15,784.43
Tax Maintenance Fund	40,187.47	19,184.15	11,487.70	47,883.92
Sheriff's Revolving Fund	11,385.93	3,369.47	5,038.27	9,717.13
Law Enforcement Training Fund	2,859.44	4,172.36	2,386.80	4,645.00
Reserve Fund	446,258.93	7,178.13	-	453,437.06
County Law Enforcement Restitution Fund	22,324.02	904.43	-	23,228.45
American Rescue Plan Act Fund	651,518.12	-	651,518.12	-
TOTAL	<u>\$ 3,703,807.17</u>	<u>\$ 7,824,335.14</u>	<u>\$ 8,114,426.12</u>	<u>\$ 3,413,716.19</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	GENERAL REVENUE FUND	
	2022	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	\$ 730,000.00	\$ 556,727.18
Sales Taxes	1,530,000.00	1,698,143.33
Intergovernmental	1,198,524.40	1,209,578.80
Charges for Services	308,650.00	299,302.40
Interest	1,525.00	17,133.69
Other	143,825.00	137,977.24
Transfers In	526,111.92	520,111.92
TOTAL RECEIPTS	4,438,636.32	4,438,974.56
DISBURSEMENTS		
County Commission	104,152.07	103,567.16
County Clerk	96,885.49	90,872.61
Elections	143,795.80	102,003.40
Buildings and Grounds	129,046.08	97,848.05
Employee Fringe Benefits	546,450.00	459,539.74
County Treasurer	54,987.18	53,797.78
Collector	103,906.60	110,845.67
Circuit Clerk	63,457.00	51,345.00
Court Administration	14,200.00	13,855.00
Public Administrator	58,619.53	55,392.74
Sheriff	996,272.01	1,009,442.63
Jail	250,000.00	142,496.59
Prosecuting Attorney	198,772.99	198,380.57
Juvenile Officer	78,183.73	50,918.29
Coroner	29,043.43	27,229.45
Planning and Zoning	48,720.00	20,804.02
Insurance	120,000.00	92,300.44
University Extension Service	65,000.00	65,000.00
Other	70,090.60	91,781.93
Economic Development	1,671,412.92	1,038,601.51
Health and Welfare	15,000.00	327.59
Transfers Out	165,000.00	62,000.00
TOTAL DISBURSEMENTS	5,022,995.43	3,938,350.17
RECEIPTS OVER (UNDER)		
DISBURSEMENTS	(584,359.11)	500,624.39
CASH BALANCES, JANUARY 1	584,842.86	584,842.86
CASH BALANCES, DECEMBER 31	\$ 483.75	\$ 1,085,467.25

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SPECIAL ROAD AND BRIDGE FUND	
	2022	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	\$ 750,000.00	\$ 771,513.82
Sales Taxes	834,000.00	911,087.06
Intergovernmental	965,510.00	1,156,446.06
Charges for Services	430.00	5,046.38
Interest	-	-
Other	256,000.00	93,134.01
Transfers In	6,000.00	-
TOTAL RECEIPTS	2,811,940.00	2,937,227.33
DISBURSEMENTS		
Salaries	572,820.10	609,678.47
Employee Fringe Benefits	339,602.01	279,800.77
Supplies	571,220.00	432,047.84
Insurance	70,000.00	62,257.73
Road and Bridge Materials	782,000.00	558,483.12
Equipment Repairs	160,000.00	149,494.21
Rentals	15,000.00	4,500.00
Equipment Purchases	340,000.00	502,542.05
Road and Bridge Construction	285,000.00	342,967.83
Other	90,500.00	110,089.35
Transfers Out	-	-
TOTAL DISBURSEMENTS	3,226,142.11	3,051,861.37
RECEIPTS OVER (UNDER) DISBURSEMENTS	(414,202.11)	(114,634.04)
CASH BALANCES, JANUARY 1	424,985.30	424,985.30
CASH BALANCES, DECEMBER 31	\$ 10,783.19	\$ 310,351.26

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	CAPITAL IMPROVEMENT FUND	
	2022	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	-	-
Reimbursements	-	-
Interest	3,000.00	14,607.36
Other	-	-
Transfers In	-	-
TOTAL RECEIPTS	3,000.00	14,607.36
DISBURSEMENTS		
Equipment Purchases	200,000.00	81,475.61
TOTAL DISBURSEMENTS	200,000.00	81,475.61
RECEIPTS OVER (UNDER)		
DISBURSEMENTS	(197,000.00)	(66,868.25)
CASH BALANCES, JANUARY 1	1,060,798.10	1,060,798.10
CASH BALANCES, DECEMBER 31	\$ 863,798.10	\$ 993,929.85

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	ASSESSMENT FUND		ELECTION SERVICES FUND	
	2022		2022	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	295,000.00	281,812.63	-	-
Charges for Services	500.00	14,520.50	-	-
Interest	178.00	5,177.63	-	259.99
Other	15,650.00	1,919.50	9,353.21	2,568.01
Transfers In	62,000.00	62,000.00	-	-
TOTAL RECEIPTS	373,328.00	365,430.26	9,353.21	2,828.00
DISBURSEMENTS				
Salaries	226,713.43	216,086.20	-	-
Employee Fringe Benefits	80,925.00	55,450.64	-	-
Office	8,500.00	4,222.00	6,945.71	-
Equipment	13,000.00	11,093.15	5,000.00	-
Appraisal Contracts	2,500.00	-	-	-
Utilities	1,800.00	1,325.37	-	-
Materials and Supplies	1,250.00	3,904.83	2,000.00	548.84
Mileage and Training	8,500.00	9,200.59	1,000.00	125.00
Insurance	1,700.00	1,319.98	-	-
GIS	20,000.00	34,175.00	-	-
Legal Fees	3,000.00	-	-	-
Vehicle Purchase	1,500.00	1,212.17	-	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	369,388.43	337,989.93	14,945.71	673.84
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	3,939.57	27,440.33	(5,592.50)	2,154.16
CASH BALANCES, JANUARY 1	249,336.83	249,336.83	14,364.95	14,364.95
CASH BALANCES, DECEMBER 31	\$ 253,276.40	\$ 276,777.16	\$ 8,772.45	\$ 16,519.11

The accompanying notes to the financial statements are an integral part of this statement.



THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	<u>PROSECUTING ATTORNEY TRAINING FUND</u>		<u>PROSECUTING ATTORNEY TAX FUND</u>	
	2022		2022	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	2,970.00	3,768.75	-	-
Interest	10.00	371.94	4.00	74.10
Other	-	-	-	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	2,980.00	4,140.69	4.00	74.10
DISBURSEMENTS				
Fees	-	-	4,000.00	-
Tuition	7,000.00	-	-	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	7,000.00	-	4,000.00	-
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	(4,020.00)	4,140.69	(3,996.00)	74.10
CASH BALANCES, JANUARY 1	19,019.33	19,019.33	4,296.57	4,296.57
CASH BALANCES, DECEMBER 31	\$ 14,999.33	\$ 23,160.02	\$ 300.57	\$ 4,370.67

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	PROSECUTING ATTORNEY ADMINISTRATIVE FUND		RECORDER'S USERS FUND	
	2022		2022	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	5,500.00	4,686.00
Interest	6.00	149.52	50.00	2,021.21
Other	400.00	1,075.00	-	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	406.00	1,224.52	5,550.00	6,707.21
DISBURSEMENTS				
Professional Services	1,500.00	418.82	-	-
State Fees	6,000.00	630.45	-	-
Other	1,200.00	-	118,000.00	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	8,700.00	1,049.27	118,000.00	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	(8,294.00)	175.25	(112,450.00)	6,707.21
CASH BALANCES, JANUARY 1	8,302.56	8,302.56	113,828.60	113,828.60
CASH BALANCES, DECEMBER 31	\$ 8.56	\$ 8,477.81	\$ 1,378.60	\$ 120,535.81

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	DOMESTIC FUND		INMATE SECURITY FUND	
	2022		2022	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	700.00	486.50	15,984.14	8,954.95
Interest	1.00	5.57	20.00	189.57
Other	-	-	-	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	701.00	492.07	16,004.14	9,144.52
DISBURSEMENTS				
Materials and Supplies	-	-	33,000.00	30,304.78
Professional Services	900.00	265.02	-	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	900.00	265.02	33,000.00	30,304.78
RECEIPTS OVER (UNDER) DISBURSEMENTS	(199.00)	227.05	(16,995.86)	(21,160.26)
CASH BALANCES, JANUARY 1	265.02	265.02	27,588.55	27,588.55
CASH BALANCES, DECEMBER 31	\$ 66.02	\$ 492.07	\$ 10,592.69	\$ 6,428.29

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SHERIFF'S FUND		RECORDER'S TECH FUND	
	2022		2022	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	8,000.00	5,580.00	3,000.00	2,638.75
Interest	50.00	191.95	10.00	255.28
Other	9,100.00	10.00	-	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	17,150.00	5,781.95	3,010.00	2,894.03
DISBURSEMENTS				
Materials and Supplies	9,350.00	1,383.99	16,000.00	641.25
Professional Services	2,500.00	-	-	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	11,850.00	1,383.99	16,000.00	641.25
RECEIPTS OVER (UNDER) DISBURSEMENTS	5,300.00	4,397.96	(12,990.00)	2,252.78
CASH BALANCES, JANUARY 1	8,112.94	8,112.94	13,531.65	13,531.65
CASH BALANCES, DECEMBER 31	<u>\$ 13,412.94</u>	<u>\$ 12,510.90</u>	<u>\$ 541.65</u>	<u>\$ 15,784.43</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	TAX MAINTENANCE FUND	
	2022	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	-	-
Charges for Services	18,400.00	19,132.51
Interest	20.00	51.64
Transfers In	-	-
TOTAL RECEIPTS	18,420.00	19,184.15
DISBURSEMENTS		
Equipment Purchases	6,000.00	8,825.17
Professional Services	3,270.00	1,254.75
Mileage and Training	1,100.00	1,401.78
Other	8,000.00	6.00
Transfers Out	-	-
TOTAL DISBURSEMENTS	18,370.00	11,487.70
RECEIPTS OVER (UNDER)		
DISBURSEMENTS	50.00	7,696.45
CASH BALANCES, JANUARY 1	40,187.47	40,187.47
CASH BALANCES, DECEMBER 31	\$ 40,237.47	\$ 47,883.92

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	SHERIFF'S REVOLVING FUND		LAW ENFORCEMENT TRAINING FUND	
	2022		2022	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	3,190.00	3,100.00	4,103.20
Interest	200.00	179.47	62.42	69.16
Other	9,800.00	-	-	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	10,000.00	3,369.47	3,162.42	4,172.36
DISBURSEMENTS				
Training	-	-	3,500.00	2,386.80
Materials and Supplies	6,300.00	2,632.64	-	-
Other	-	-	1,500.00	-
Equipment Purchases	4,500.00	2,405.63	1,000.00	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	10,800.00	5,038.27	6,000.00	2,386.80
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	(800.00)	(1,668.80)	(2,837.58)	1,785.56
CASH BALANCES, JANUARY 1	11,385.93	11,385.93	2,859.44	2,859.44
CASH BALANCES, DECEMBER 31	\$ 10,585.93	\$ 9,717.13	\$ 21.86	\$ 4,645.00

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	RESERVE FUND	
	2022	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	-	-
Charges for Services	-	-
Interest	1,500.00	7,178.13
Other	-	-
Transfers In	-	-
TOTAL RECEIPTS	1,500.00	7,178.13
DISBURSEMENTS		
Transfers Out	100,000.00	-
TOTAL DISBURSEMENTS	100,000.00	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	(98,500.00)	7,178.13
CASH BALANCES, JANUARY 1	446,258.93	446,258.93
CASH BALANCES, DECEMBER 31	\$ 347,758.93	\$ 453,437.06

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	COUNTY LAW ENFORCEMENT RESTITUTION FUND	
	2022	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	-	-
Charges for Services	-	-
Interest	-	-
Other	-	904.43
Transfers In	-	-
TOTAL RECEIPTS	-	904.43
DISBURSEMENTS		
Transfers Out	-	-
TOTAL DISBURSEMENTS	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	904.43
CASH AND INVESTMENT BALANCES, JANUARY 1	21,960.64	22,324.02
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 21,960.64	\$ 23,228.45

The accompanying notes to the financial statements are an integral part of this statement.



THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	AMERICAN RESCUE PLAN ACT FUND	
	2022	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	-	-
Charges for Services	-	-
Interest	-	-
Other	-	-
Transfers In	-	-
TOTAL RECEIPTS	-	-
DISBURSEMENTS		
Services and Others	651,518.12	131,406.20
Transfers Out	-	520,111.92
TOTAL DISBURSEMENTS	651,518.12	651,518.12
RECEIPTS OVER (UNDER) DISBURSEMENTS	(651,518.12)	(651,518.12)
CASH AND INVESTMENT BALANCES, JANUARY 1	651,518.12	651,518.12
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ -

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
FIDUCIARY FUNDS - REGULATORY BASIS  
AS OF DECEMBER 31, 2022

	Collector Funds	Recorders Funds	Sheriff Funds	General Schools	Ralls County Tax Fund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 12,510,353.98	\$ 6,972.50	\$ 2,251.75	\$ -	\$ 27,388.79
Total Assets	12,510,353.98	6,972.50	2,251.75	-	27,388.79
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	12,510,353.98	6,972.50	2,251.75	-	27,388.79
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 12,510,353.98	\$ 6,972.50	\$ 2,251.75	\$ -	\$ 27,388.79
	Tri-Co Nursing	Monroe City Ambulance #1	Monroe City Ambulance #2	Ralls County Ambulance #3	Ralls County Library
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assets	-	-	-	-	-
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	-	-	-	-	-
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
	Health Department	Hannibal Rural Fire Department	Prosecuting Attorney	CERF Fund	Unclaimed Fees Fund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ -	\$ 44.05	\$ 2,034.97	\$ 2,076.10
Total Assets	-	-	44.05	2,034.97	2,076.10
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	-	-	44.05	2,034.97	2,076.10
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ 44.05	\$ 2,034.97	\$ 2,076.10
	County Schools' Fund	Employee Tax Savings Fund	Pass Through Fund	Land Surplus Fund	Grand Total Custodial Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 36,967.96	\$ 770.00	\$ 347.45	\$ 814.92	\$ 12,590,022.47
Total Assets	36,967.96	770.00	347.45	814.92	12,590,022.47
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	36,967.96	770.00	347.45	814.92	12,590,022.47
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 36,967.96	\$ 770.00	\$ 347.45	\$ 814.92	\$ 12,590,022.47

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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DECEMBER 31, 2022

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Ralls, Missouri ("County"), which is governed by three commissioners, was established in 1820 by an Act of the Missouri Territory. In addition to the three commissioners, there are ten elected Constitutional Officers: Assessor, County Clerk, Collector of Revenue, Coroner, Circuit Clerk/Recorder of Deeds, Prosecuting Attorney, Public Administrator, Sheriff, Surveyor, and Treasurer.

As discussed further in Note I, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

A. Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of the County.

The County's operations include tax assessments and collections, state/county courts, county recorder, police protection, transportation, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include only the primary government of Ralls County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri Court System and considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which include a Statement of Receipts, Disbursements and Changes in Cash Balances – All Governmental Funds, a Statement of Receipts, Disbursements and Changes in Cash Balances – Budget and Actual – All Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Fiduciary Funds.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts. The following fund types are used by the County:

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (concluded)

**Governmental Fund Types**

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

**Fiduciary Fund Types**

*Fiduciary Funds* – Fiduciary funds consist of custodial funds. Custodial funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds or other governmental units. Custodial funds are accounted for and reported similarly to the governmental funds. Custodial funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other officeholders.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

As a result of using this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation bonds and obligations under capital leases) and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

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NEW LONDON, MISSOURI  
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budget and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50 RSMo, the County adopts a budget for each governmental fund.
2. On or before January 15th, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their offices or departments for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.
4. A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.
5. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
6. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget information in the financial statements.

Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.

7. Budgets are prepared and adopted on the cash basis of accounting.

State law requires that budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. Section 50.740 RSMo prohibits expenditures in excess of the approved budgets.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuation of the tangible taxable property, included within the County's boundaries for the calendar year 2022, for purposes of taxation, was:

	<u>2022</u>
Real Estate	\$ 155,184,550
Personal Property	96,768,186
Railroad and Utilities	<u>26,555,095</u>
	<u>\$ 278,507,831</u>

During 2022, the County Commission approved a \$0.4308, respectively, tax levy per \$100 of assessed valuation of tangible taxable property, for purposes of County taxation, as follows:

	<u>2022</u>
General Revenue Fund	\$ 0.1652
Special Road and Bridge Fund	<u>0.2656</u>
	<u>\$ 0.4308</u>

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer Funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the funds' average daily cash balances. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of 90 days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash balances are presented in Note II.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are eliminated due to reporting the financial statements on the regulatory basis of accounting. Legally required transfers are reported as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.

II. DEPOSITS

The County maintains a cash pool that is available for use by all funds. Deposits with maturities greater than three months are considered investments. Each fund type's portion of this pool is displayed as "Cash Balances" under each fund's caption.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2022, the carrying amounts of the County's deposits and investments were \$3,413,716.19 and the bank balances were \$11,775,209.63. The total bank balances as of December 31, 2022, were insured through the Federal Deposit Insurance Corporation and securities set by the County's financial institutions.

SUMMARY OF CARRYING VALUES

The carrying values of deposits shown above are included in the financial statements at December 31, 2022, as follows:

<u>Statements of Receipts, Disbursements and Changes in Cash</u>	
<u>Balances – Governmental Funds:</u>	
Deposits and cash equivalents	\$ 3,413,716.19
Total Governmental Funds	<u>3,413,716.19</u>
<u>Statement of Assets and Liabilities Arising From Cash</u>	
<u>Transactions – Fiduciary Funds:</u>	
Deposits	12,590,022.47
Total Custodial Funds	<u>12,590,022.47</u>
Total Deposits as of December 31, 2022	<u>\$ 16,003,738.66</u>

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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II. DEPOSITS AND INVESTMENTS (concluded)

Custodial Credit Risk – Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the year ended December 31, 2022.

Custodial Credit Risk – Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments. The County's investments were not exposed to custodial credit risk for the year ended December 31, 2022.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities. The County's deposits were not exposed to concentration of investment credit risk for the year ended December 31, 2022.



THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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III. CAPITAL LEASES

On September 13, 2018, the County of Ralls entered into a lease purchase agreement with Caterpillar Financial Services Corporation for one new 12M3AWD Caterpillar Motor Grader. The first payment was due September 13, 2019. The financing agreement calls for four payments of \$32,489.85 to be paid annually, and the last payment is in the amount of \$32,490.85. The interest rate is 4.85% per annum.

On October 7, 2019, the County of Ralls entered into a lease purchase agreement with John Deere Financial to finance the purchase of a 2016 640R STD Farm Loader and a 2918 6145M Standard Cab Tractor. The lease term is 60 months. Payments of principal and interest are due annually on October 7 in the amount of \$15,548.34.

On March 1, 2019, the County of Ralls entered into a lease purchase agreement with US Bank to finance the purchase of a vehicle. The lease term is 48 months. Payments of principal and interest are due annually on March 1 with the first payment due March 1, 2020 in the amounts of \$31,851.33. The interest rate is 3.90% per annum.

On August 27, 2020, the County of Ralls entered into a lease purchase agreement with Caterpillar Financial Services Corporation for one new 2019 140-13 Grader. The financing agreement calls for two payments to be paid annually with the first payment due on September 17, 2021 in the amount of \$101,529.12. The interest rate is 2.99% per annum.

On August 27, 2021, the County of Ralls entered into a lease purchase agreement with John Deere Financial to finance the purchase of multiple pieces of equipment. The financing agreement calls for two payments of \$61,337.18 to be paid annually. The interest rate is 2.75% per annum.

On May 15, 2022, the County of Ralls entered into a lease purchase agreement with KS State Bank to finance the purchase of a vehicle. The lease term is 3 years. Payments of principal and interest are due annually on May 15 with the first payment due May 15, 2023 in the amount of \$67,465.14. The interest rate is 4.36% per annum.

On June 10, 2022, the County of Ralls entered into a lease purchase agreement with Henry Adkins and Sons to finance the purchase of Unisyn Voting equipment. The lease term is 60 months. Payments of principal and interest are due annually on July 31 with the first payment of \$12,220 due on July 31, 2023.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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III. CAPITAL LEASES (concluded)

As of December 31, 2022, the payments for the County's lease purchase agreements are as follows:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
2022 Volvo	\$ -	\$ 185,950.00	\$ -	\$ 185,950.00	\$ -
Voting Equipment	-	61,100.00	-	61,100.00	-
2016 Loader & 2018 Tractor	38,870.85	-	15,548.34	23,322.51	-
US Bank Vehicle	60,160.80	-	29,505.06	30,655.74	2,346.27
2018 Cat Grader N9P00271	60,591.94	-	29,526.56	31,065.38	2,963.29
2019 Cat Grader N9500162	98,500.08	-	98,500.08	-	3,029.04
John Deere Equipment	59,676.24	-	59,676.24	-	1,455.78
TOTAL	<u>\$ 317,799.91</u>	<u>\$ 247,050.00</u>	<u>\$ 232,756.28</u>	<u>\$ 332,093.63</u>	<u>\$ 9,794.38</u>

The future payments for the capital leases as of December 31, 2022, are as follows:

Year Ending December 31,	Interest	Principal	Total
2023	\$ 10,755.50	\$ 148,847.19	\$ 159,602.69
2024	5,519.42	81,939.89	87,459.31
2025	2,818.59	76,866.55	79,685.14
2026	-	12,220.00	12,220.00
2027	-	12,220.00	12,220.00
	<u>\$ 19,093.51</u>	<u>\$ 332,093.63</u>	<u>\$ 351,187.14</u>

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
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IV. OPERATING LEASES

On April 25, 2019, the County of Ralls entered into an operating lease with De Lage Landen Financial Services, Inc. for two MP2555 copiers, three IM C2500 copiers and one IM C3000 copier. The term of the lease is for 60 months with monthly payments of \$506.38 beginning in May 2019.

On June 28, 2018, the County of Ralls entered into an operating lease with Axon Enterprise, Inc. for 10 tasers and accessories. The term of the lease is for 60 months with annual payments of \$2,800.00 due July 28 of each year.

The future payments for operating leases entered into by the County for the year ended December 31, 2022, are as follows:

<u>December 31</u>	<u>Payments</u>
2023	\$ 6,076.56
2024	\$ 2,531.90
	<u>\$ 8,608.46</u>

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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V. INTERFUND TRANSFERS

Transfers between funds for the years ended December 31, 2022 are as follows:

	2022	
	Transfers In	Transfers Out
General Revenue Fund	\$ 520,111.92	\$ 62,000.00
Assessment Fund	62,000.00	-
American Rescue Act Plan Fund	-	520,111.92
	<u>\$ 582,111.92</u>	<u>\$ 582,111.92</u>

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VI. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS)

Plan Description

The Ralls County's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. Ralls County participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at [www.molagers.org](http://www.molagers.org).

Benefits Provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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VI. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS) (continued)

2022 Valuation

Benefit Multiplier:	1.50%
Final Average Salary:	5 Years
Member Contributions:	0%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered By Benefit Terms

At June 30, 2022, the following employees were covered by the benefit terms:

	<u>General</u>	<u>Police</u>
Inactive employees or beneficiaries currently receiving benefits	42	11
Inactive employees entitled to but not yet receiving benefits	13	13
Active employees	33	13
	<u>88</u>	<u>37</u>

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 10.2% (General) and 10.8% (Police) of annual covered payroll.

Net Pension Liability

The employer's net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2022.

Actuarial Assumptions

The total pension liability in the February 28, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increase	2.75% to 6.75% including wage inflation
Investment Rate of Return	7.00%, net of investment expenses

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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VI. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS) (continued)

The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females. Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2022 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Cash/Leverage	-25.00%	-0.29%

Discount Rate

The discount rate used to measure the total pension liability is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

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VI. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS) (continued)

**Changes in the Net Pension Liability**

	General Division	Police Division
A. Total Pension Liability		
1 Service Cost	\$ 120,134	\$ 54,020
2 Interest on Total Pension Liability	322,972	88,032
3 Changes of Benefit Terms	-	-
4 Difference between expected and actual experience of the Total Pension Liability	134,572	(11,720)
5 Changes of Assumptions	-	-
6 Benefit payments, including refunds of employee contributions	(275,100)	(49,691)
7 Net change in total pension liability	302,578	80,641
8 Total pension liability - beginning	4,690,058	1,255,469
9 Total pension liability - ending	<u>\$ 4,992,636</u>	<u>\$ 1,336,110</u>
B. Plan Fiduciary Net Position		
1 Contributions - employer	\$ 154,475	\$ 60,875
2 Contributions - employee	-	-
3 Net investment income	3,942	993
4 Benefit payments, including refunds of employee contributions	(275,100)	(49,691)
5 Pension plan administrative expense	(9,612)	(2,983)
6 Other (net transfer)	29,243	(5,126)
7 Net change in plan fiduciary net position	(97,052)	4,068
8 Plan fiduciary net position - beginning	5,821,928	1,507,548
9 Plan fiduciary net position - ending	<u>\$ 5,724,876</u>	<u>\$ 1,511,616</u>
C. Net Pension Liability / (Asset)	<u>\$ (732,240)</u>	<u>\$ (175,506)</u>
D. Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	114.67%	113.14%
E. Covered-Employee Payroll	\$ 1,346,932	\$ 565,162
F. Net Pension Liability as a Percentage of Covered Employee Payroll	-54.36%	-31.05%

THE COUNTY OF RALLS  
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VI. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS) (continued)

Sensitivity of the Net Position Liability to Changes in the Discount Rate

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

Sensitivity of Net Pension Liability to the Single Discount Rate

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
<b>General Division:</b>			
Total Pension Liability (TPL)	\$ 5,617,481	\$ 4,992,636	\$ 4,473,196
Plan Fiduciary Net Position	5,724,876	5,724,876	5,724,876
Net Pension Liability / (Asset) (NPL)	\$ (107,395)	\$ (732,240)	\$ (1,251,680)
<b>Police Division:</b>			
Total Pension Liability (TPL)	\$ 1,531,372	\$ 1,336,110	\$ 1,175,732
Plan Fiduciary Net Position	1,511,616	1,511,616	1,511,616
Net Pension Liability / (Asset) (NPL)	\$ 19,756	\$ (175,506)	\$ (335,884)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the employer recognized pension expense of \$(72,553) under GAAP. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	General		Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 88,849	\$ (35,135)	\$ 13,377	\$ (31,092)
Changes in assumptions	-	(57,760)	-	(6,751)
Net difference between projected and actual earnings on pension plan investments	-	(110,551)	-	(37,697)
Total	\$ 88,849	\$ (203,446)	\$ 13,377	\$ (75,540)



THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
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VI. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS) (concluded)

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending June 30, 2022.

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Net Deferred Outflows of Resources - General	Net Deferred Outflows of Resources - Police
2023	\$ (70,876)	\$ (16,008)
2024	(20,388)	(31,253)
2025	(103,355)	(35,831)
2026	80,022	20,929
2027	-	-
Thereafter	-	-
Total	<u>\$ (114,597)</u>	<u>\$ (62,163)</u>

VII. COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

A. Plan Description

CERF was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of eleven members, nine of whom are county employee participants. Two members, who have no beneficiary interest in CERF, are appointed by the Governor of Missouri. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF is a mandatory cost-sharing multiple employer retirement system for each county in the state of Missouri, except any city not within a county (which excludes the City of St. Louis) and counties of the first classification with a charter form of government. CERF covers county elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first class, non-charter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, county prosecuting attorneys, and county sheriffs. Until January 1, 2000, employees hired before January 1, 2000, could opt out of the system. CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service and who terminated employment after December 31, 1999, may retire with an early retirement benefit and receive a reduced allowance after attaining age 55.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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VII. COUNTY EMPLOYEES' RETIREMENT FUND (CERF) (concluded)

A. Plan Description (concluded)

Annual cost-of-living adjustments, not to exceed 1%, are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% of the initial benefit, which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of CERF are paid out of the funds of the system.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-573-632-9203.

B. Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions (other than those made by the county) are refunded to the employee.

The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. The County has elected to make the 4% contribution on behalf of the County employees. During 2022, the County remitted to CERF, contributions of approximately \$74,088.66 for the year then ended.

VIII. PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Section 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County has contributed \$11,628.00, for the year ended December 31, 2022.

IX. POST-EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County. There was one COBRA participant for year ending December 31, 2022 paying premiums of \$566.40. There were no retirees at December 31, 2022.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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X. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

The County was not involved in any litigation as of the audit report date.

B. Compensated Absences (Vacation and Sick Time)

Ralls County provides employees with up to four weeks of paid vacation based upon the number of years of continuous service. Upon termination from county employment, an employee is not reimbursed for unused vacation and overtime. Sick time is offered to full time employees at the rate of one-half day for each calendar month of employment and are allowed to accumulate up to 30 days. Sick time is paid for at a rate of 50% for any unused sick pay. These have not been subjected to auditing procedures.

C. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

XI. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool, which is a corporate and political body created pursuant to state statute (Section 537.700 RSMo.). The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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XII. SUBSEQUENT EVENTS

As of the date of the audit report, there are no subsequent events to report.

**SUPPLEMENTARY SCHEDULES  
AND  
AUDITOR'S REPORT**

## **STATE COMPLIANCE SECTION**

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
SCHEDULE OF STATE FINDINGS  
DECEMBER 31, 2022

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SCHEDULE OF STATE FINDINGS

There was no County Law Enforcement Restitution Fund budget prepared for the year ending December 31, 2022.

## **FEDERAL COMPLIANCE SECTION**





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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the County Commission  
The County of Ralls, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the County of Ralls ("County") which comprise the Statement of Receipts, Disbursements and Changes in Cash Balances – All Governmental Funds – Regulatory Basis and the Statements of Assets and Liabilities Arising from Cash Transactions – Fiduciary Funds – Regulatory Basis as of December 31, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash Balances – Budget and Actual – All Governmental Funds – Regulatory Basis for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 27, 2023.

In our report, because the County prepared its financial statements using financial reporting provisions prescribed or permitted by Missouri law, our opinion stated that the financial statements were not presented fairly in conformity with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated in accordance with the financial reporting provisions prescribed or permitted by Missouri law, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

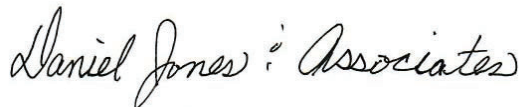
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that we've not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

July 27, 2023



**Daniel Jones  
& Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To The County Commission  
The County of Ralls, Missouri

***Report on Compliance for Each Major Federal Program***

***Opinion on Each Major Federal Program***

We have audited County of Ralls' ("County") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibility of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws,

statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

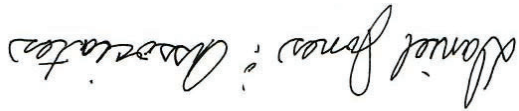
### ***Report on Internal Control over Compliance***

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

July 27, 2023

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

FEDERAL GRANTOR / PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY NUMBER	Provided to Subrecipients	TOTAL FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF COMMERCE</b>				
Direct Program:				
Economic Development Technical Assistance	11.303	ED21DEN3030041	\$ -	\$ 100,000.00
<b>U.S. ARMY CORPS OF ENGINEERS</b>				
Passed Through State:				
Missouri Office of Administration:				
Payments to States in Lieu of Real Estate Taxes	12.112	N/A	-	23,719.96
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Passed Through State:				
Missouri Department of Economic Development:				
Community Development Block Grants	14.228	14-EM-03	-	507,914.25
<b>U.S. DEPARTMENT OF INTERIOR</b>				
Direct Program:				
PILT - Payment in Lieu of Taxes	15.226	N/A	-	44,438.00
<b>U.S. DEPARTMENT OF TREASURY</b>				
Passed Through State:				
Missouri Department of Treasury:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	1,041,057.71
Direct Program:				
Local Assistance and Tribal Consistency Fund	21.032	N/A	-	50,000.00
Total U.S. Department of Treasury			-	1,091,057.71
<b>U.S. ELECTION ASSISTANCE COMMISSION</b>				
Passed Through State:				
Missouri Office of Secretary of State:				
HAVA Election Security Grants	90.404	N/A	-	5,592.82
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
Passed Through State:				
Missouri Department of Public Safety:				
Disaster Grants - Public Assistance Grants (Presidential Declared Disasters)	97.036	FEMA-4451-DR-MO	-	357,987.72
Enhancing Cybersecurity Local Preparedness (ECSLP)	97.067	EMW-2021-SS-00038-38	-	9,640.91
Law Enforcement Terrorism Prevention Activities (LEPTA)	97.067	EMW-2021-SS-00038-61	-	12,989.06
Total #97.067			-	22,629.97
Total U.S. Department of Homeland Security			-	380,617.69
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ -	\$ 2,153,340.43

The notes to the schedule of expenditures of federal awards are an integral part of this statement.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2022

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NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the County of Ralls under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Ralls, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County of Ralls.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – SUBRECIPIENTS

There were no subrecipients for federal awards for the year ending December 31, 2022.

NOTE 5– DONATED PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED)

Ralls County did not receive any donated personal protective equipment in the year ending December 31, 2022.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2022

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I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Type of auditor's report issued: Unmodified - Regulatory Basis
2. Internal control over financial reporting:
  - a. Material weakness(es) identified? 2022 ☐ Yes ☒ No
  - b. Significant deficiency(ies) identified? 2022 ☐ Yes ☒ None Reported
3. Noncompliance material to financial statements noted? 2022 ☐ Yes ☒ No

B. Federal Awards

1. Internal control over major federal programs:
  - a. Material weakness(es) identified? 2022 ☐ Yes ☒ No
  - b. Significant deficiency(ies) identified? 2022 ☐ Yes ☒ None Reported
2. Type of auditor's report issued on compliance for major federal programs: 2022 - Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? 2022 ☐ Yes ☒ No



THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2022

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I. SUMMARY OF AUDITOR'S RESULTS (concluded)

B. Federal Awards (concluded)

4. Identification of major federal programs:

Year	Federal Assistance Listing Number(s)	Name of Federal Program or Cluster
2022	21.027	COVID 19: American Rescue Plan Funds

5. Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

6. Auditee qualified as low-risk auditee? 2022 ☐ Yes ☒ No

II. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings noted for the year ended December 31, 2022.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings and questioned costs for the year ended December 31, 2022.

THE COUNTY OF RALLS  
NEW LONDON, MISSOURI  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2022

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I. FINANCIAL STATEMENT FINDINGS – PRIOR YEAR

There were no financial statement findings noted for the years ended December 31, 2021 and December 31, 2020.

II. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS – PRIOR YEAR

There were no federal award findings and questioned costs for the years ended December 31, 2021 and December 31, 2020.



# Scott Fitzpatrick

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## Missouri State Auditor

Olive Boulevard  
Transportation Development District

Report No. 2023-038

August 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Olive Boulevard Transportation Development District

### Background

The Olive Boulevard Transportation Development District (TDD) was formed in September 2004 for the purpose of improving Olive Boulevard and included various construction projects, traffic improvements, utility burials, and landscaping. The project was completed in December 2018 and the City of Creve Coeur subsequently accepted ownership of the project. The Olive Boulevard TDD projects totaled approximately \$5,790,000.

The project was funded by a voter-approved one-half percent sales tax on all taxable transactions within the boundaries of the district. The Board of Directors approved rescinding the sales tax in February 2022, and the bond debt associated with the project was satisfied in April 2022.

Based on the audit, the cash balance of the Olive Boulevard TDD as of December 31, 2022, was \$435,300. As of December 2022, the District had estimated outstanding legal fees of \$33,100 and accounting fees of \$7,500 needed to dissolve the District. After the district's final costs and professional fees are paid, the remaining balance will be distributed to the City of Creve Coeur in accordance with state law.

### Financial Status

The audit of the Olive Boulevard TDD indicates the financial condition of the district is such that it may be abolished.

Because of the nature of this audit, no rating is provided.

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# Olive Boulevard Transportation Development District

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Management Advisory Report - State Auditor's Findings	Financial Status .....3
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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Heather Silverman, Chairperson  
and  
Board of Directors  
Olive Boulevard Transportation Development District  
Creve Coeur, Missouri

The State Auditor is required under Section 238.275, RSMo, to audit a transportation development district prior to the question of abolishment being submitted to a vote. On February 24, 2022, the Board of Directors of the Olive Boulevard Transportation Development District approved a resolution of its intent to dissolve the district and request an audit as required by statute. The State Auditor was subsequently notified of this resolution.

The scope of our audit included, but was not necessarily limited to, the fiscal year ended June 30, 2022, and the period from July 1 through December 31, 2022. The objectives of our audit were to evaluate the financial status of the district and determine whether it may be abolished pursuant to law.

Our methodology included reviewing minutes of meetings, financial records, and other pertinent documents; and interviewing various personnel of the district, as well as certain external parties. We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The audit determined the Board of Directors may proceed with abolishment of the district in accordance with Section 238.275, RSMo.

The accompanying Management Advisory Report presents our findings arising from our audit of the Olive Boulevard Transportation Development District.

Scott Fitzpatrick  
State Auditor

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# Olive Boulevard Transportation Development District Management Advisory Report - State Auditor's Findings

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## **Financial Status**

Our audit of the Olive Boulevard Transportation Development District (TDD) indicates the financial condition of the district is such that it may be abolished.

The Olive Boulevard TDD is located in St. Louis County, in the City of Creve Coeur. The District was organized in September 2004 by petition of the property owners/developer within the proposed TDD. The district consisted of several dozen parcels of property at the time of formation with 23 property owners within the district's boundaries. The members of the Board of Directors and officers consist of 7 members: 4 members representing the City of Creve Coeur, 2 members representing the property owners, and 1 vacancy. The district has a fiscal year end of June 30.

The Olive Boulevard TDD was formed for the purpose of improving Olive Boulevard and included various construction projects, traffic improvements, utility burials, and landscaping. The City of Creve Coeur is the public entity with jurisdiction over the local portion of the project and serves as the Local Transportation Authority. The resulting transportation improvements are not intended to be merged into state highways; therefore, the Missouri Highways and Transportation Commission (MHTC) has no direct interest in the TDD. The project was completed in December 2018, and the City of Creve Coeur subsequently accepted ownership of the project. Project costs totaled \$5,790,000.

In September 2004, the qualified voters of the district approved a 1/2-cent (0.5 percent) sales tax on all taxable transactions within the boundaries of the district. The Board of Directors subsequently passed a resolution formally establishing that sales tax rate to be effective October 1, 2004, for 25 years unless terminated sooner.

In June 2005, the Olive Boulevard TDD issued \$5,090,000 in revenue bonds to pay project costs, and subsequently borrowed \$700,000 from a developer/property owner to fund an additional project. In July 2015 the District issued \$2,690,000 in bonds for the purpose of refunding the prior bonds, paying the costs of issuance for said bonds, executing bond documents, and authorizing the engagement of an agent, counsel, and trustee. The Olive Boulevard TDD satisfied this debt in April 2022. The Board approved rescinding the sales tax in February 2022, and subsequently notified the Department of Revenue (DOR) to stop collecting the district's tax. Sales tax collection expired March 31, 2022.



## Olive Blvd. Transportation Development District Management Advisory Report - State Auditor's Findings

From 2010 through December 31, 2022, the District received \$5,673,602 in sales tax revenues.<sup>1</sup> See the table below for district's financial activity for the year ended June 30, 2022, and the period July 1 through December 31, 2022.

In February 2022, the Olive Boulevard TDD Board formalized its intent to dissolve the District. The District subsequently advised the State Auditor's Office (SAO) of this resolution in March 2022 and requested the SAO proceed with all necessary actions as required pursuant to Section 238.275, RSMo. That statute requires the State Auditor to audit the district to determine its financial status, and determine whether it may be abolished pursuant to law. It also states the board shall not propose the question to abolish the district while there are outstanding claims or causes of action pending against it; if its liabilities exceed its assets; or while the district is insolvent, in receivership, or under the jurisdiction of a bankruptcy court.

The following table presents the financial activity and cash balances for the year ended June 30, 2022, and the period July 1, 2022, through year ended December 31, 2022.

	July 1, 2022 through December 31, 2022	Year Ended June 30, 2022
RECEIPTS		
Sales Tax	\$ 5,257	662,242
Interest	67	0
Miscellaneous Income	0	12,212
Total Receipts	5,324	674,454
DISBURSEMENTS		
Administration	25,140	43,011
Principal	0	314,735
Total Disbursements	25,140	357,746
RECEIPTS OVER (UNDER)		
DISBURSEMENTS	(19,816)	316,708
BEGINNING CASH	455,116	138,408
ENDING CASH	\$ 435,300	455,116

Source: Compiled by the SAO using the district's bank accounts and financial statements.

Based on our audit, the cash balance of the Olive Boulevard TDD as of December 31, 2022, was \$435,300. As of December 2022, the District had estimated outstanding legal and accounting fees needed to dissolve the District of \$33,110 and \$7,500; respectively. According to District legal

<sup>1</sup> District sales tax information prior to 2010 was not available from the District or from the DOR.





## Olive Blvd. Transportation Development District Management Advisory Report - State Auditor's Findings

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counsel, there are no pending, threatened, or unasserted claims or assessments against the district. District officials confirmed the district is not insolvent, in receivership, or under the jurisdiction of a bankruptcy court. Based on these representations, district assets are sufficient to pay any remaining costs and obligations. After the district's final costs and professional fees are paid, the remaining balance will be distributed to the City of Creve Coeur in accordance with Section 238.275.5(1), RSMo.

Based on our audit, the Board of Directors may proceed with the abolishment of the district in accordance with Section 238.275, RSMo.



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
June 2023

Report No. 2023-037

August 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## June 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 1,527 political subdivisions required to file a financial report by June 30, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the reports submitted and, accordingly, do not express an opinion or any other assurance on them.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in June 2023, after their filing deadline. The filing status for these 4 entities is presented in summary on page 3 and by individual entity in Appendixes B and C.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

June 2023

## Executive Summary

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### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

This report includes the filing status for the 1,527 political subdivisions, other than cities, towns, and villages, with a fiscal year end of December 31, 2022. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 1,527 political subdivisions, 1,123 filed an annual financial report timely.

This report also includes the filing status for 4 political subdivisions, other than cities, towns, and villages, that filed their financial report in June 2023, after their filing deadline.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Adair	Adair County Health Department	Yes	January 19, 2023
	Adair County Library District	Yes	June 26, 2023
	Baltimore Commons CID	Yes	June 28, 2023
	Chariton River Drainage District	No	
	Franklin Street CID	Yes	June 28, 2023
	North Baltimore Street CID	Yes	June 28, 2023
	South 63 Corridor CID	Yes	June 28, 2023
Andrew	Andrew County Ambulance District	Yes	June 12, 2023
	Andrew County Health Department	Yes	January 10, 2023
	Bolckow FPD	No	
	Cosby-Helena FPD	Yes	June 13, 2023
	Fillmore FPD	Yes	June 13, 2023
	Levee District 5 Andrew-Holt-Nodaway County	No	
	PWSD 1 Andrew County	Yes	January 6, 2023
	PWSD 2 Andrew County	No	
	Rosendale FPD	Yes	June 15, 2023
	Savannah FPD	Yes	May 31, 2023
Atchison	Village of Country Club FPD	Yes	February 23, 2023
	Atchison County Health Department	Yes	January 12, 2023
	Atchison County Library District	Yes	May 18, 2023
	Atchison-Holt County Ambulance District	No	
	Fairfax Volunteer FPD	Yes	February 14, 2023
	Langdon SRD Atchison County	Yes	March 6, 2023
	Levee District 1 Atchison-Holt County	Yes	January 25, 2023
	North Nishnabotna Drainage District	Yes	January 23, 2023
	Phelps City Dyke Drainage District	Yes	January 23, 2023
	Phelps City SRD Atchison County	Yes	February 6, 2023
	PWSD 1 Atchison County	Yes	June 30, 2023
	Tarkio FPD	Yes	April 15, 2023
	Tarkio SRD Atchison County	No	
	Watson SRD Atchison County	Yes	June 30, 2023
	West Atchison FPD	No	
	Westboro Volunteer FPD	No	
Audrain	Audrain Ambulance District	Yes	June 22, 2023
	Audrain County 911 Board	Yes	March 2, 2023
	Audrain County Health Department	Yes	January 19, 2023
	Laddonia & Rural FPD	No	
	Laddonia Farber SRD Audrain County	Yes	April 24, 2023
	Little Dixie FPD	Yes	June 8, 2023
	Martinsburg Area FPD	No	
	Mexico SRD 13 Audrain County	Yes	May 17, 2023
	Mexico-Audrain County PLD	Yes	May 17, 2023
	PWSD 1 Audrain County	No	
	PWSD 2 Audrain County	Yes	April 21, 2023
	Saling SRD 2 Audrain County	Yes	April 11, 2023
	Tri County NHD	No	
	Vandalia SRD Audrain County	Yes	March 9, 2023

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Barry	Ash SRD Barry County	Yes	January 9, 2023
	Barry County Health Department	Yes	June 5, 2023
	Barry-Lawrence Ambulance District	Yes	May 25, 2023
	Butterfield FPD	No	
	Butterfield SRD Barry County	Yes	January 4, 2023
	Capps Creek SRD Barry County	Yes	May 8, 2023
	Cassville FPD	Yes	February 28, 2023
	Central Crossing FPD	No	
	Corsicana SRD Barry County	Yes	May 8, 2023
	Crane Creek SRD Barry County	Yes	June 14, 2023
	Eagle Rock-Golden-Mano FPD	Yes	March 31, 2023
	Exeter FPD	Yes	March 23, 2023
	Exeter SRD Barry County	Yes	January 20, 2023
	Flat Creek SRD Barry County	Yes	January 20, 2023
	Greasy Creek SRD 35 Barry County	Yes	April 3, 2023
	Jenkins Rural FPD	Yes	June 21, 2023
	Jenkins SRD 20 Barry County	Yes	April 27, 2023
	Kings Prairie SRD Barry County	No	
	Liberty Common SRD 34 Barry County	Yes	February 21, 2023
	McDonald SRD 19 Barry County	Yes	January 23, 2023
	Mineral Springs SRD 10 Barry County	Yes	April 27, 2023
	Monett Rural FPD	Yes	June 28, 2023
	Monett SRD Barry County	No	
	Mountain SRD 22 Barry County	Yes	June 9, 2023
	Pioneer SRD 31 Barry County	Yes	January 25, 2023
	Pleasant Ridge SRD 25 Barry County	Yes	June 14, 2023
	Purdy FPD	No	
	Purdy SRD 28 Barry County	Yes	January 25, 2023
	Roaring River SRD 2 Barry County	Yes	June 26, 2023
	Seligman FPD	No	
	Shell Knob SRD 9 Barry County	Yes	April 27, 2023
	South Barry Ambulance District	Yes	January 21, 2023
	South Barry County Memorial Hospital	Yes	February 14, 2023
	Southwest Rural Water Supply District 1	Yes	May 4, 2023
	Sugar Creek SRD 3 Barry County	No	
	Viola SRD 21 Barry County	Yes	April 27, 2023
	Washburn FPD	Yes	March 14, 2023
	Washburn SRD 4 Barry County	No	
	Wheaton FPD	Yes	June 25, 2023
	Wheaton SRD 29 Barry County	No	
	White River SRD 7 Barry County	Yes	June 26, 2023
Barton	Barton County Ambulance District	No	
	Barton County Health Department	Yes	January 12, 2023
	Barton County Library District	Yes	April 13, 2023
	Barton County Memorial Hospital	Yes	June 28, 2023
	Consolidated PWSD 1	Yes	June 30, 2023
	Liberal FPD	Yes	June 8, 2023

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Bates	Bates County Health Center	Yes	January 17, 2023
	Bates County Memorial Hospital	Yes	June 2, 2023
	Cornland SRD Bates County	No	
	PWSD 1 Bates County	Yes	May 1, 2023
	PWSD 2 Bates County	Yes	June 26, 2023
	PWSD 3 Bates County	Yes	January 23, 2023
	PWSD 4 Bates County	Yes	June 29, 2023
	PWSD 6 Bates County	No	
	Rich Hill Public Library District	Yes	January 21, 2023
	South Hudson SRD Bates County	No	
Benton	Benton County Health Department	Yes	January 10, 2023
	Brandon SRD Benton County	No	
	Cole Camp & Rural FPD	No	
	Cole Camp Ambulance District	Yes	June 27, 2023
	Cole Camp SRD Benton County	Yes	June 6, 2023
	Deer Creek FPD	Yes	February 1, 2023
	Lakeview Heights FPD	Yes	June 28, 2023
	Lincoln Community FPD	Yes	February 2, 2023
	Osage Valley FPD	Yes	June 27, 2023
	Sewer District 1 Benton County	No	
	U.S. Hwy 65 & Truman Dam Access TDD	Yes	June 19, 2023
	Warsaw FPD	No	
	Warsaw-Lincoln Ambulance District	Yes	June 27, 2023
	Bollinger County Ambulance District	No	
Bollinger	Bollinger County Health Center	No	
	Bollinger County Library District	Yes	January 11, 2023
	Leopold Volunteer FPD	Yes	June 29, 2023
	North County FPD	No	
	Sedgewickville FPD	Yes	May 29, 2023
	Woodland FPD	No	
	Zalma FPD	No	
	Blue Ridge Town Centre TDD	Yes	February 2, 2023
Boone	Boone County FPD	Yes	June 22, 2023
	Boone County Regional SwrD	Yes	May 30, 2023
	Broadway-Fairview TDD	No	
	Callahan Creek WSD	Yes	May 16, 2023
	Center State TDD	No	
	Centralia SRD Boone County	Yes	January 26, 2023
	Clark Lane TDD	No	
	Columbia Mall TDD	Yes	June 28, 2023
	Conley Road TDD	No	
	Consolidated PWSD 1 Boone County	Yes	April 18, 2023
	Cross Creek TDD	No	
	Daniel Boone Regional PLD	Yes	May 12, 2023
	Grindstone Plaza TDD	No	
	Lake of the Woods TDD	Yes	March 24, 2023
	Northwoods TDD	Yes	May 25, 2023



Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Boone	PWSD 10 Boone County	Yes	May 25, 2023
	PWSD 4 Boone County	Yes	March 30, 2023
	PWSD 9 Boone County	Yes	May 25, 2023
	Rock Bridge Center TDD	No	
	Shoppes at Stadium TDD	No	
	Southern Boone County FPD	Yes	May 1, 2023
	St. Charles Road TDD	Yes	May 16, 2023
	Stadium Corridor TDD	No	
Buchanan	Agri-Business Expo Center TDD	No	
	Colony Hills FPD	Yes	January 18, 2023
	Easton FPD	No	
	Halls Levee District	Yes	March 4, 2023
	Lake Contrary FPD	Yes	May 11, 2023
	PWSD 1 Buchanan County	Yes	June 28, 2023
	San Antonio FPD	No	
	South Central Buchanan County FPD	Yes	June 14, 2023
	South St. Joseph Industrial SwrD	Yes	June 30, 2023
	Southwest Buchanan County FPD	Yes	June 8, 2023
	St. Joseph Airport Levee District	Yes	March 22, 2023
	St. Joseph Gateway TDD	No	
	Tuscany Village TDD	No	
	Butler County FPD	No	
Butler	Butler County Health Department	Yes	May 11, 2023
	Consolidated DD 10 Butler County	Yes	March 9, 2023
	Cripple Creek TDD	Yes	June 29, 2023
	Green Forest CID	Yes	February 1, 2023
	Highway 67 South CID	Yes	March 23, 2023
	Kelly Town Plaza CID	No	
	Naylor-Neelyville Ambulance District	No	
	Oak Grove TDD	Yes	June 29, 2023
	Pike Creek Common Sewer District	Yes	June 20, 2023
	Poplar Bluff Municipal PLD	Yes	April 11, 2023
	Poplar Bluff Regional TDD	Yes	June 29, 2023
	PWSD 1 Butler County	Yes	May 24, 2023
	PWSD 104 Butler County	Yes	December 30, 2022
	PWSD 2 Butler County	No	
	PWSD 3 Butler County	No	
	Qulin Community FPD	Yes	February 4, 2023
	Qulin Highway North CID	No	
	Stateline CID	Yes	March 23, 2023
	Sycamore Street CID	Yes	March 23, 2023
Caldwell	Caldwell County Health Department	Yes	June 27, 2023
	Caldwell County Library District	No	
	Cowgill FPD	No	
	Hamilton FPD	Yes	June 29, 2023
	PWSD 1 Caldwell County	Yes	January 9, 2023
	PWSD 2 Caldwell County	No	

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Caldwell	Shoal Creek FPD	Yes	February 14, 2023
Callaway	Callaway County Ambulance District	Yes	May 10, 2023
	Callaway County Sewer District	No	
	Capital View Drainage District	No	
	Central Callaway FPD	No	
	Fulton South Business 54 TDD	Yes	April 13, 2023
	Holts Summit FPD	Yes	May 11, 2023
	New Bloomfield FPD	No	
	North Callaway FPD	No	
	PWSD 1 Callaway County	Yes	June 30, 2023
	PWSD 2 Callaway County	Yes	May 10, 2023
	South Callaway FPD	Yes	March 3, 2023
Camden	American Center CID	Yes	January 18, 2023
	Arrowhead Centre CID	Yes	May 1, 2023
	Ballparks of the Ozarks CID	No	
	Camden County Library District	Yes	June 20, 2023
	Camelot Sewer District	Yes	January 11, 2023
	Dierbergs Osage Beach TDD	No	
	Greenview CID	Yes	February 22, 2023
	Horseshoe Bend Pedest Corridor TDD	Yes	January 4, 2023
	Horseshoe Bend SRD 1 Camden County	Yes	June 14, 2023
	Mid-County FPD Camden County	No	
	Normac Sewer District	Yes	January 11, 2023
	Northwest FPD Camden County	Yes	June 15, 2023
	Osage Beach Commons CID	Yes	June 15, 2023
	Osage Beach FPD	Yes	June 27, 2023
	Osage Beach SRD Camden County	Yes	June 20, 2023
	Osage Station TDD	Yes	January 9, 2023
	Peninsula Development CID	No	
	PWSD 1 Camden County	Yes	February 9, 2023
	PWSD 2 Camden County	Yes	January 11, 2023
	PWSD 3 Camden County	Yes	June 28, 2023
	Southwest Camden County FPD	Yes	June 13, 2023
	Sunny Slope Country Club SwrD	Yes	January 11, 2023
	Sunrise Beach FPD	No	
	Toad Cove Complex CID	No	
	Toad Cove Complex TDD	No	
	Toad Cove Resort CID	No	
	Toad Cove Resort TDD	No	
	Tri-County FPD	No	
Cape Girardeau	Cape Girardeau County Public Health	Yes	April 25, 2023
	Cape Girardeau SRD	Yes	May 24, 2023
	Delta FPD	Yes	June 5, 2023
	East County Area FPD	Yes	April 7, 2023
	Fruitland Area FPD	Yes	January 31, 2023
	Gordonville FPD	Yes	January 6, 2023
	Millersville Rural FPD	No	

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Cape Girardeau	PWSD 1 Cape Girardeau-Perry County	Yes	February 13, 2023
	PWSD 4 Cape Girardeau County	No	
	Riverside Regional Library District	Yes	March 7, 2023
	South K TDD	Yes	June 27, 2023
	Whitewater FPD	No	
Carroll	Carroll County 911 Board	Yes	January 12, 2023
	Carroll County Ambulance District	Yes	June 30, 2023
	Carroll County FPD	Yes	June 24, 2023
	Carroll County Health Department	Yes	June 28, 2023
	Carrollton Public Library District	No	
	Hale FPD	Yes	January 9, 2023
	Miles Point Levee District	No	
	Norborne FPD	No	
	North Central Carroll FPD	No	
	Black Mountain CID	Yes	February 15, 2023
Carter	Carter County Health Center	Yes	January 24, 2023
	Carter County Library District	Yes	June 6, 2023
	East Carter Ambulance District	No	
	Eastwood FPD	Yes	March 31, 2023
	Ellsinore Highway 60 CID	No	
	Fremont FPD	No	
	Landing River Center CID	Yes	February 13, 2023
	PWSD 1 Carter County	No	
	PWSD 2 Carter County	No	
	Belton Town Centre TDD	Yes	June 28, 2023
Cass	Belton-Cass County Regional TDD	Yes	January 19, 2023
	Cass County EMS Board	Yes	June 29, 2023
	Cass County Public Library District	Yes	June 28, 2023
	Cass Medical Center	Yes	June 14, 2023
	Central Cass County FPD	No	
	Cornerstone Pointe TDD	Yes	June 14, 2023
	Creighton FPD	No	
	Dolan & West Dolan FPD	No	
	Drexel Community FPD	Yes	June 30, 2023
	East Gateway TDD	No	
	East Lynne-Gunn City FPD	No	
	Eastern Hills CID	Yes	May 22, 2023
	Garden City FPD	No	
	Harrisonville Brookhart TDD	Yes	June 28, 2023
	Harrisonville Market Place A TDD	Yes	June 29, 2023
	Harrisonville Market Place B TDD	Yes	June 29, 2023
	Harrisonville Towne Center TDD	Yes	June 23, 2023
	Hwy 71/291 Partners in Progress TDD	Yes	June 5, 2023
	I-49 & 275th Street TDD	Yes	June 12, 2023
	Mount Pleasant FPD	No	
	Mt. Pleasant SRD Cass County	Yes	March 23, 2023
	Northwest Cass County CID	No	

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Cass	Pleasant Hill FPD	Yes	January 27, 2023
	PWSD 1 Cass County	Yes	January 18, 2023
	PWSD 10 Cass County	Yes	May 11, 2023
	PWSD 12 Cass County	No	
	PWSD 4 Cass County	Yes	June 23, 2023
	PWSD 5 Cass County	Yes	June 16, 2023
	PWSD 7 Cass County	Yes	June 22, 2023
	PWSD 8 Cass County	Yes	March 2, 2023
	PWSD 9 Cass County	Yes	May 30, 2023
	South Metropolitan FPD	Yes	May 23, 2023
	Stonegate CID	No	
	Western Cass FPD	Yes	March 28, 2023
Cedar	Bear Creek SRD Cedar County	No	
	Bethel SRD Cedar County	No	
	Caplinger Mills FPD	Yes	February 10, 2023
	Caplinger Mills SRD Cedar County	No	
	Cedar County Ambulance District	Yes	April 17, 2023
	Cedar County Chapel Hills FPD	No	
	Cedar County Library District	Yes	May 3, 2023
	Cedar Hall SRD Cedar County	No	
	Dogwood SRD Cedar County	Yes	January 19, 2023
	Eldorado Springs SRD Cedar County	No	
	Independence SRD Cedar County	No	
	Jerico Springs SRD Cedar County	No	
	Koncord SRD Cedar County	No	
	Korth Special Road Subdistrict	No	
	Madison SRD Cedar County	No	
	Masters SRD Cedar County	No	
	Omer SRD Cedar County	No	
	PWSD 1 Cedar County	No	
	Rowland SRD Cedar County	No	
	Stockton SRD Cedar County	No	
Chariton	Chariton County 911 Board	Yes	June 26, 2023
	Chariton County Health Center	Yes	May 16, 2023
	Keytesville FPD	Yes	February 23, 2023
	Mendon Public FPD	Yes	June 20, 2023
	PWSD 2 Chariton County	No	
	Sumner Community FPD	Yes	February 28, 2023
Christian	Yellow Creek FPD	Yes	June 20, 2023
	Avicenna CID	No	
	Billings FPD	Yes	March 10, 2023
	Billings SRD Christian County	Yes	January 20, 2023
	Bluff Drive CID	No	
	Chadwick Rural FPD	No	
	Christian County Ambulance District	Yes	June 21, 2023
	Christian County EMS Board	Yes	March 13, 2023
	Christian County Health Department	Yes	June 26, 2023

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Christian	Christian County Library District	Yes	June 28, 2023
	Clever FPD	Yes	March 11, 2023
	Clever Highway 14 CID	No	
	Deerbrook Marketplace CID	Yes	June 30, 2023
	Finley River TDD	Yes	June 30, 2023
	Garrison SRD Christian County	Yes	January 23, 2023
	Highlandville CID	Yes	February 5, 2023
	Highlandville Rural FPD	Yes	April 24, 2023
	Highway J & North 17th Street CID	Yes	March 23, 2023
	McCroskey Street CID	Yes	March 31, 2023
	Nixa FPD	Yes	May 16, 2023
	Ozark Downtown CID	No	
	Ozark FPD	Yes	March 24, 2023
	Ozark SRD Christian County	Yes	June 28, 2023
	PWSD 1 Christian County	Yes	February 28, 2023
	Selmore SRD Christian County	Yes	June 7, 2023
	South Sparta SRD Christian County	Yes	June 22, 2023
	Sparta FPD	Yes	June 27, 2023
	Stoneshire SRD Christian County	Yes	March 24, 2023
	Town & Country Village CID	Yes	April 7, 2023
	Town & Country Village TDD	Yes	April 7, 2023
Clark	Alexandria FPD	Yes	May 21, 2023
	Clark County Ambulance District	No	
	Clark County Health Department	Yes	January 20, 2023
	Des Moines Mississippi Levee District	Yes	February 2, 2023
	Mississippi Fox Levee District 2	Yes	January 14, 2023
	PWSD 1 Clark County	Yes	January 4, 2023
	Wayland SRD Clark County	No	
Clay	901 South 291 CID	Yes	June 20, 2023
	Birmingham Drainage District	Yes	June 27, 2023
	Blue Jay Crossing CID	Yes	June 30, 2023
	Briarcliff Parkway & Highway 9 TDD	Yes	June 12, 2023
	Clay County Public Health Center	Yes	May 25, 2023
	Crossroads Shopping Center CID	Yes	February 24, 2023
	Fishing River FPD	No	
	Historic Downtown Liberty CID	Yes	February 1, 2023
	Holly Farms TDD	Yes	June 19, 2023
	Holt Community FPD	No	
	Homestead CID	No	
	Kearney Fire & Rescue Protection	Yes	June 1, 2023
	Liberty Commons CID Clay County	No	
	Liberty Commons TDD	No	
	Liberty Corners CID	Yes	April 26, 2023
	Liberty Parkway Plaza CID	Yes	June 28, 2023
	Liberty SRD 5 Clay County	Yes	June 21, 2023
	Liberty Triangle Shopping Center CID	Yes	February 24, 2023
	North Haven Center CID	Yes	May 9, 2023

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Clay	North Kansas City SRD 9 Clay County	No	
	Pleasant Valley 8 SRD Clay County	No	
	PWSD 4 Clay County	No	
	PWSD 5 Clay County	No	
	PWSD 6 Clay County	Yes	June 21, 2023
	PWSD 7 Clay County	Yes	June 7, 2023
	PWSD 8 Clay County	Yes	June 21, 2023
	Renaissance Plaza CID	Yes	February 13, 2023
	Rogers Plaza CID	No	
	Tower TDD	Yes	June 12, 2023
Clinton	Cameron Ambulance District	Yes	February 27, 2023
	Cameron FPD	Yes	January 6, 2023
	Cameron SRD Clinton County	Yes	January 15, 2023
	Clinton County Extension District	No	
	Clinton County Health Department	Yes	February 28, 2023
	Gower FPD	No	
	Lathrop Fire & Rescue	Yes	June 28, 2023
	Plattsburg FPD	Yes	May 29, 2023
	Plattsburg SRD Clinton County	Yes	June 19, 2023
	PWSD 1 Clinton County	Yes	March 31, 2023
Cole	Tri-County Ambulance District	Yes	March 24, 2023
	Cole County FPD	Yes	June 29, 2023
	Commons of Hazel Hills TDD	Yes	May 4, 2023
	Heartland PID of Central Missouri	Yes	March 28, 2023
	Missouri River Regional PLD	Yes	June 23, 2023
	Osage FPD	Yes	June 28, 2023
	PWSD 1 Cole County	Yes	June 28, 2023
	PWSD 3 Cole County	Yes	June 14, 2023
	PWSD 4 Cole County	Yes	May 10, 2023
	PWSD 5 Cole County	Yes	June 27, 2023
	Regional West FPD	No	
	Russellville Route C CID	No	
	Russellville-Lohman FPD	Yes	March 1, 2023
	Show Me PACE	No	
	Southside Munichburg CID	No	
	Stone Ridge TDD	Yes	May 9, 2023
	U.S. Highway 50/63 & City View TDD	Yes	June 19, 2023
	Blackwater Volunteer Rural FPD	Yes	June 22, 2023
	Boonville Highway 5 CID	No	
	Boonville Riverfront TDD	No	
Cooper	Consolidated PWSD 1 Cooper County	Yes	June 13, 2023
	Cooper County Ambulance District	Yes	April 13, 2023
	Cooper County FPD	Yes	March 27, 2023
	Cooper County NHD	Yes	June 30, 2023
	Cooper County Public Health Center	Yes	June 13, 2023
	Hail Ridge CID	Yes	May 23, 2023
	Otterville FPD	Yes	March 30, 2023

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Status of Political Subdivisions Required to File Annual Financial Reports  
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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Cooper	Overton-Wooldridge Levee District 1	No	
	Pilot Grove Area FPD	Yes	June 30, 2023
	Prairie Home Rural FPD	Yes	April 25, 2023
	PWSD 1 Cooper County	No	
	Windsor Place CID	No	
Crawford	Bourbon FPD	Yes	May 9, 2023
	Crawford County 911 Board	Yes	February 8, 2023
	Cuba Community FPD	Yes	June 7, 2023
	Steelville Ambulance District	Yes	June 7, 2023
	Steelville FPD	Yes	April 10, 2023
Dade	Dade County 911 Board	Yes	April 5, 2023
	Dade County Ambulance District	No	
	Dade County Health Department	Yes	March 1, 2023
	Dade County Library District	Yes	April 18, 2023
	Dadeville Rural FPD	Yes	January 3, 2023
Dallas	Good Shepherd NHD	No	
	Lockwood FPD	No	
	Dallas County Health Department	Yes	January 18, 2023
	Dallas County Library District	Yes	February 23, 2023
	Elkland FPD	Yes	May 23, 2023
Daviess	Southern Dallas County FPD	No	
	Urbana Highway 65 CID	No	
	Coffey FPD	No	
	Daviess County 911 Board	Yes	June 8, 2023
	Daviess County Health Department	Yes	January 6, 2023
	Daviess County Library District	Yes	June 19, 2023
	Daviess County SRD 1	No	
	Gallatin FPD	Yes	February 27, 2023
	Jameson FPD	Yes	April 12, 2023
	Jamesport SRD Daviess County	Yes	January 20, 2023
	K.A.W. FPD	Yes	June 22, 2023
	Lock Springs SRD Daviess County	Yes	June 22, 2023
	PWSD 1 Daviess County	No	
	PWSD 3 Daviess County	Yes	May 24, 2023
DeKalb	Central DeKalb County FPD	No	
	Clarksdale FPD	No	
	Osborn FPD	No	
	PWSD 1 DeKalb County	Yes	February 16, 2023
	Stewartsville FPD	No	
Dent	Union Star FPD	No	
	Dent County FPD	No	
	Dent County Health Center	Yes	February 15, 2023
Douglas	PWSD 1 Dent County	No	
	Ava Ambulance District	Yes	March 6, 2023
	Douglas County Health Department	No	
Dunklin	Douglas County Library District	Yes	January 19, 2023
	Consolidated DD 1 Dunklin County	Yes	March 5, 2023



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Dunklin	Drainage District 12 Dunklin County	No	
	Drainage District 23 Dunklin County	No	
	Drainage District 25 Dunklin County	No	
	Drainage District 48 Dunklin County	Yes	March 27, 2023
	Dunklin County Ambulance District	No	
	Dunklin County Health Department	No	
	Dunklin County Library District	Yes	February 3, 2023
	Levee District 4 Dunklin County	Yes	March 27, 2023
	Levee District 7 Dunklin County	Yes	March 27, 2023
	PWSD 1 Dunklin County	Yes	June 21, 2023
	PWSD 2 Dunklin County	No	
	PWSD 3 Dunklin County	Yes	June 22, 2023
	Senath Commercial Street CID	No	
Franklin	Beaufort-Leslie FPD	Yes	June 28, 2023
	Boles FPD	Yes	February 24, 2023
	Calvey Creek Sewer District	Yes	June 20, 2023
	Crestview Sewer District	Yes	June 20, 2023
	Gerald Ambulance District	Yes	June 2, 2023
	Gerald-Rosebud FPD	Yes	February 8, 2023
	Highway 100 CID	No	
	Interstate 44 & Highway 47 TDD	No	
	Labadie Creek Watershed SwrD	Yes	June 20, 2023
	Labadie Levee District	No	
	Meramec Ambulance District	Yes	May 31, 2023
	New Haven Ambulance District	Yes	June 6, 2023
	New Haven-Berger FPD	Yes	June 6, 2023
	PWSD 1 Franklin County	Yes	June 8, 2023
	PWSD 4 Franklin County	No	
	St. Clair Ambulance District	No	
	St. Clair FPD	Yes	May 1, 2023
	Sylvan Manor Sunset Acres SwrD	Yes	January 19, 2023
	Union Ambulance District	Yes	June 20, 2023
	Union FPD	Yes	April 5, 2023
Gasconade	Washington Area Ambulance District	No	
	Washington SRD Franklin County	Yes	May 22, 2023
	Bland FPD	Yes	December 23, 2022
	Gasconade County 911 Board	Yes	January 19, 2023
	Gasconade County Health Department	Yes	June 27, 2023
	Gasconade Manor NHD	Yes	May 2, 2023
	Hermann Area Ambulance District	Yes	June 27, 2023
	Hermann Area Hospital District	Yes	May 11, 2023
	Morrison Levee District	Yes	June 22, 2023
	Morrison SRD 4 Gasconade County	Yes	February 21, 2023
Gentry	Owensville Ambulance District	Yes	June 22, 2023
	PWSD 1 Gasconade County	Yes	February 2, 2023
	Gentry County 911 Board	Yes	May 5, 2023
	Gentry County Library District	Yes	February 1, 2023



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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Gentry	King City FPD	No	
	McFall FPD	No	
	PWSD 1 Gentry County	Yes	May 16, 2023
Greene	Ash Grove FPD	No	
	Battlefield FPD	Yes	March 17, 2023
	Bois D'Arc FPD	Yes	January 25, 2023
	Brookline FPD	Yes	June 30, 2023
	Ebenezer FPD	Yes	June 29, 2023
	Fair Grove FPD	Yes	June 13, 2023
	Glenstone & East Kearney TDD	Yes	June 30, 2023
	Logan-Rogersville FPD	Yes	June 27, 2023
	PWSD 1 Greene County	Yes	June 21, 2023
	PWSD 6 Greene County	Yes	June 19, 2023
	Southern Hills CID Greene County	Yes	March 30, 2023
	Strafford FPD	Yes	June 27, 2023
	Strafford Plaza CID	Yes	May 9, 2023
	Walnut Grove FPD	Yes	February 22, 2023
	West Republic FPD	Yes	March 6, 2023
	Willard FPD	Yes	June 28, 2023
Grundy	Galt FPD	Yes	January 13, 2023
	Grundy County Health Department	Yes	January 7, 2023
	Grundy County Rural FPD	Yes	June 30, 2023
	Jewett Norris-Grundy County PLD	Yes	February 14, 2023
	Laredo FPD	Yes	March 13, 2023
	PWSD 1 Grundy County	Yes	April 19, 2023
	Spickard FPD	No	
	Spickard SRD Grundy County	No	
Harrison	Cainsville FPD	Yes	February 28, 2023
	Gilman City FPD	No	
	Harrison County Health Department	Yes	January 10, 2023
	New Hampton FPD	Yes	February 13, 2023
	Noel Adams Ambulance District	Yes	February 21, 2023
	North Harrison County Ambulance District	Yes	May 2, 2023
	North Harrison County FPD	No	
	PWSD 1 Harrison County	Yes	May 22, 2023
	PWSD 2 Harrison County	Yes	June 29, 2023
	Ridgeway FPD	Yes	March 5, 2023
Henry	Clinton Country Club SRD Henry County	Yes	January 26, 2023
	Deerfield Creek SRD Henry County	No	
	Fields Creek SRD 1 Henry County	Yes	January 25, 2023
	Henry County 911 Board	Yes	February 12, 2023
	Henry County Health Center	Yes	June 5, 2023
	Henry County Library District	Yes	June 27, 2023
	Honey Creek SRD 1 Henry County	Yes	June 30, 2023
	Montrose SRD Henry County	No	
	Mt. Hope SRD Henry County	Yes	March 23, 2023
	Osage SRD 1 Henry County	No	

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Henry	PWSD 3 Henry County	Yes	April 3, 2023
	Shawnee SRD 1 Henry County	Yes	January 17, 2023
	Tightwad FPD	Yes	May 31, 2023
	Wagner SRD Henry County	Yes	April 5, 2023
	Windsor Ambulance District	Yes	June 30, 2023
	Windsor SRD Henry County	Yes	January 25, 2023
Hickory	Hickory County Health Department	No	
	Hickory County Library District	Yes	May 22, 2023
	PWSD 2 Hickory County	Yes	June 29, 2023
Holt	Bigelow Independent SRD Holt County	No	
	Corning SRD Holt County	No	
	Drainage District 2 Holt County	No	
	Fortescue SRD Holt County	Yes	January 6, 2023
	Levee District 10 Holt County	Yes	January 6, 2023
	Levee District 14 Holt County	Yes	January 7, 2023
	Levee District 4 Holt County	Yes	January 7, 2023
	Levee District 7 Holt County	Yes	January 9, 2023
	Levee District 9 Holt County	No	
	Maitland Volunteer FPD	Yes	May 30, 2023
	Northwest Holt County FPD	No	
	S Union Township Independent SRD Holt County	Yes	January 13, 2023
	Southern FPD of Holt County	Yes	June 6, 2023
Howard	Armstrong FPD	No	
	Armstrong SRD Howard County	No	
	Bonne Femme Levee District 1	No	
	Consolidated PWSD 1 Howard County	No	
	D&LD 2 Howard County	No	
	Drainage District 1 Howard County	Yes	April 14, 2023
	Glasgow SRD 60 Howard County	Yes	March 9, 2023
	Glasgow Volunteer FPD	Yes	March 15, 2023
	Howard Coounty Regional Water Commission	Yes	June 7, 2023
	Howard County 911 Board	Yes	January 16, 2023
	Howard County Ambulance District	No	
	Howard County FPD	Yes	March 5, 2023
	Howard County Library District	Yes	February 15, 2023
	Levee District 3 Howard County	No	
	Levee District 4 Howard County	No	
	Levee District 6 Howard County	Yes	December 15, 2022
	Levee District 7 Howard County	No	
	Moniteau Creek WSD	Yes	February 4, 2023
	PWSD 2 Howard County	Yes	April 11, 2023
Howell	63 Bypass CID	Yes	June 29, 2023
	Brandsville FPD	Yes	January 20, 2023
	Howell County 911 Board	Yes	May 31, 2023
	Howell County Health Department	Yes	June 29, 2023
	Howell County Rural FPD 1	Yes	June 12, 2023
	Ozark Hills CID	Yes	June 29, 2023

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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Howell	Pomona FPD	Yes	June 30, 2023
	Pumpkin Center FPD	Yes	March 1, 2023
	PWSD 1 Howell County	No	
	PWSD 3 Howell County	No	
	South 160 CID	Yes	March 29, 2023
	South Howell Ambulance District	No	
	Southern Hills CID	Yes	June 21, 2023
	Willow Springs Ambulance District	Yes	February 6, 2023
	Willow Springs Library District	Yes	February 6, 2023
Iron	Iron County 911 Board	Yes	May 17, 2023
	Iron County Ambulance District	Yes	May 17, 2023
	Iron County Health Department	No	
	Ozark Regional Library District	Yes	April 19, 2023
	Pilot Knob FPD	No	
	Quad County FPD	Yes	June 6, 2023
	Southern Iron County FPD	Yes	January 11, 2023
	1200 Main/South Loop TDD	Yes	June 15, 2023
	71 Highway & 150 Highway TDD	No	
Jackson	Bi-State Commission	Yes	June 30, 2023
	Bridgewood Plaza CID	Yes	May 18, 2023
	Country Club Plaza TDD	Yes	May 9, 2023
	Douglas Station TDD	Yes	April 13, 2023
	Grain Valley Marketplace CID	No	
	Grain Valley Mercado CID	Yes	April 24, 2023
	Grain Valley Mercado TDD	No	
	Grandview Crossing CID	No	
	Harry Truman Drive TDD	Yes	June 19, 2023
	I-70 & Adams Dairy Parkway TDD	Yes	June 19, 2023
	Inter City FPD	No	
	Lake Lotawana CID	Yes	February 2, 2023
	Lone Jack Community FPD	Yes	March 29, 2023
	M150 & 135th Street TDD	Yes	June 29, 2023
	New Longview TDD	No	
	PWSD 12 Jackson County	Yes	June 7, 2023
	PWSD 13 Jackson County	Yes	June 23, 2023
	PWSD 15 Jackson County	No	
	PWSD 16 Jackson County	No	
	Raintree Lake Village TDD	Yes	April 27, 2023
	Raintree North TDD	Yes	June 15, 2023
	Ritter Plaza CID	Yes	December 20, 2022
	Southern Jackson County FPD	Yes	June 21, 2023
	Truman Road TDD	No	
	Village of Grain Valley CID	Yes	April 28, 2023
Jasper	Asbury FPD	Yes	June 27, 2023
	Carl Junction FPD	Yes	June 28, 2023
	Carl Junction SRD Jasper County	Yes	January 11, 2023
	Carthage FPD	Yes	June 30, 2023

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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jasper	Central Jasper County FPD	Yes	May 30, 2023
	Duenweg Volunteer FPD	No	
	Jasper County Emergency Services	Yes	June 13, 2023
	Jasper County Volunteer FPD	Yes	June 27, 2023
	Oronogo FPD	Yes	June 28, 2023
	Peachtree Village CID	No	
	PWSD 1 Jasper County	No	
	PWSD 2 Jasper County	Yes	June 28, 2023
Jefferson	Tri-Cities FPD	Yes	June 13, 2023
	Big River Ambulance District	Yes	February 20, 2023
	Biltmore East CID	Yes	June 26, 2023
	Cedar Hill FPD	Yes	January 17, 2023
	De Soto Rural FPD	Yes	June 8, 2023
	Dunklin FPD	Yes	June 15, 2023
	Festus SRD Jefferson County	Yes	June 30, 2023
	Hematite FPD	No	
	High Ridge Commons CID	Yes	June 29, 2023
	Highway 141/67 TDD	Yes	April 26, 2023
	Hillsboro FPD	Yes	January 12, 2023
	Hillsboro Lake Terrace TDD	Yes	February 1, 2023
	Huntington Glen CID	Yes	April 28, 2023
	Jefferson County 911 Board	Yes	January 31, 2023
	Jefferson County Health Department	Yes	June 28, 2023
	Jefferson County Public SwrD	Yes	June 22, 2023
	Jefferson R-7 FPD	Yes	February 7, 2023
	Joachim-Plattin Ambulance District	Yes	June 30, 2023
	Kingston Hills CID	Yes	March 24, 2023
	Lake Adelle Sewer District	Yes	June 26, 2023
	Mapaville FPD	Yes	May 1, 2023
	Northeast Public Sewer District	No	
	Northwest Library Subdistrict	Yes	June 28, 2023
	PWSD 12 Jefferson County	Yes	June 29, 2023
	PWSD 2 Jefferson County	No	
	PWSD 3 Jefferson County	Yes	June 30, 2023
	PWSD 5 Jefferson County	Yes	February 10, 2023
	PWSD 6 Jefferson County	Yes	June 23, 2023
	PWSD 8 Jefferson County	Yes	June 2, 2023
	Ridgecrest TDD	Yes	April 26, 2023
	Rock Creek Public Sewer District	No	
	Rock Township Ambulance District	Yes	February 24, 2023
	Rockwood Meadows CID	Yes	May 8, 2023
	Saline Valley FPD	Yes	February 16, 2023
	Springdale CID	Yes	April 28, 2023
	Truman Boulevard TDD	No	
	Valley at Winding Bluffs CID	Yes	April 28, 2023
	Winding Bluffs CID	Yes	April 28, 2023
	Windsor-Fox Library Subdistrict	Yes	June 28, 2023

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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jefferson	Windswept Farms CID	Yes	April 28, 2023
Johnson	Hawthorne Development TDD	Yes	June 27, 2023
	Johnson County Ambulance District	Yes	June 23, 2023
	Johnson County Emergency Services Board	Yes	June 20, 2023
	Johnson County FPD	Yes	June 14, 2023
	Johnson County FPD 2	Yes	June 26, 2023
	Knob Noster Ninth Street CID	No	
	PWSD 1 Johnson County	Yes	January 11, 2023
	PWSD 2 Johnson County	Yes	February 28, 2023
	PWSD 3 Johnson County	Yes	June 16, 2023
	Western Missouri Medical Center	No	
Knox	Knox County Ambulance District	Yes	May 17, 2023
	Knox County Health Department	Yes	January 17, 2023
Laclede	Bennett Spring FPD	No	
	Competition Volunteer FPD	Yes	June 13, 2023
	Conway SRD 2 Laclede County	Yes	April 26, 2023
	Laclede County Health Department	Yes	January 13, 2023
	Lebanon Rural FPD	Yes	February 4, 2023
	Lebanon-Laclede County PLD	Yes	June 28, 2023
	Nebo Falcon FPD	No	
	Phillipsburg SRD 3 Laclede County	Yes	February 7, 2023
	PWSD 1 Laclede County	Yes	June 30, 2023
	PWSD 2 Laclede County	Yes	February 7, 2023
	PWSD 3 Laclede County	Yes	June 21, 2023
Lafayette	Consolidated PWSD 2 Lafayette County	Yes	May 18, 2023
	Higginsville FPD	Yes	March 15, 2023
	Lafayette County Health Department	Yes	June 8, 2023
	Mayview FPD	Yes	June 30, 2023
	Odessa Fire & Rescue Protection	Yes	June 28, 2023
	Waverly FPD	Yes	May 25, 2023
	Wellington-Napoleon R-IX RRD	Yes	January 10, 2023
Lawrence	Aurora Rural FPD	Yes	June 20, 2023
	Aurora SRD Lawrence County	No	
	Avilla FPD	No	
	Buck Prairie SRD Lawrence County	Yes	June 14, 2023
	Freistatt FPD	Yes	January 22, 2023
	Freistatt SRD Lawrence County	Yes	January 22, 2023
	Green Benefit SRD Lawrence County	Yes	June 5, 2023
	Halltown FPD	Yes	March 28, 2023
	Lawrence County 911 Board	Yes	May 18, 2023
	Midway Benefit SRD Lawrence County	Yes	June 5, 2023
	Miller Benefit SRD Lawrence County	Yes	June 8, 2023
	Miller Rural FPD	No	
	Monett SRD Lawrence County	No	
	Mt. Pleasant Benefit SRD Lawrence County	No	
	Mt. Vernon Ambulance District	Yes	June 9, 2023
	Mt. Vernon Benefit SRD Lawrence County	Yes	January 26, 2023

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Lawrence	Mt. Vernon FPD	No	
	Pierce Benefit SRD Lawrence County	No	
	Pierce City FPD	Yes	June 16, 2023
	Red Oak Benefit SRD Lawrence County	No	
	Stotts City FPD	No	
	Verona Benefit SRD Lawrence County	Yes	April 30, 2023
	Vineyard Benefit SRD Lawrence County	Yes	June 26, 2023
Lewis	Buck & Doe Run Creeks WSD	Yes	March 24, 2023
	Canton R-V FPD	Yes	June 5, 2023
	Durgens Creek Watershed Subdistrict	Yes	March 21, 2023
	Ewing-Maywood R-4 FPD	Yes	May 15, 2023
	Grassy Creek Watershed Subdistrict	Yes	March 29, 2023
	Lewis County Health Department & HHA	No	
	Lewis County 911 Board	Yes	May 25, 2023
	Lewis County Ambulance District	Yes	January 24, 2023
	PWSD 1 Lewis County	Yes	May 15, 2023
	Troublesome Creek WSD	Yes	March 22, 2023
	Western Lewis County FPD	Yes	June 26, 2023
Lincoln	Clarence Cannon Memorial WSD	No	
	Elsberry FPD	Yes	January 18, 2023
	Elsberry SRD Lincoln County	Yes	March 16, 2023
	Hawk Point FPD	Yes	May 9, 2023
	Highway 61/State Highway U TDD	Yes	April 17, 2023
	Lincoln County Ambulance District	Yes	June 27, 2023
	Lincoln County FPD	Yes	June 27, 2023
	Lincoln County Memorial Hospital	Yes	June 18, 2023
	Northwest FPD Lincoln County	Yes	June 28, 2023
	Old Monroe FPD	No	
	PWSD 1 Lincoln County	Yes	June 21, 2023
	PWSD 2 Lincoln County	No	
	Winfield-Foley FPD	No	
Linn	Consolidated PWSD 1 Linn County	Yes	January 12, 2023
	Laclede Community FPD	No	
	Linn County 911 Board	Yes	February 3, 2023
	Linn County Ambulance District	No	
	Linn County Health Department	Yes	June 20, 2023
	Marceline Carnegie Library District	Yes	February 8, 2023
	Marceline SRD Linn County	No	
	Meadville FPD	Yes	May 15, 2023
	Purdin SRD Linn County	No	
	PWSD 3 Linn-Livingston County	No	
Livingston	Chillicothe FPD No. 1	Yes	January 20, 2023
	Livingston County Health Center	No	
	Livingston County Memorial PLD	Yes	May 23, 2023
	Livingston County NHD	Yes	May 23, 2023
	Mooreville Township FPD	Yes	May 28, 2023
	PWSD 1 Livingston County	No	

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Livingston	PWSD 2 Livingston County	Yes	April 13, 2023
	PWSD 3 Livingston County	No	
	PWSD 4 Livingston County	Yes	April 18, 2023
Macon	Bevier FPD	No	
	La Plata Community FPD	Yes	May 13, 2023
	La Plata NHD	No	
	Macon County 911 Board	Yes	January 26, 2023
	Macon County Ambulance District	Yes	June 28, 2023
	Macon County Health Department	Yes	January 30, 2023
	PWSD 1 Macon County	Yes	May 19, 2023
	Samaritan Memorial Hospital	Yes	April 25, 2023
	Cherokee Pass FPD	Yes	June 15, 2023
	Madison County Ambulance District	Yes	March 30, 2023
Madison	Madison County Health Department	Yes	January 11, 2023
	Belle FPD	No	
Maries	Belle SRD 6 Maries-Osage County	Yes	March 2, 2023
	Maries-Osage Ambulance District	Yes	February 6, 2023
	Ozark Central Ambulance District	Yes	June 30, 2023
	Vienna Volunteer FPD	Yes	February 21, 2023
	Marion County 911 Board	Yes	May 25, 2023
Marion	Marion County Ambulance District	Yes	June 20, 2023
	Marion County Health Department	Yes	January 4, 2023
	Marion County Library Subdistrict 1	Yes	April 10, 2023
	Marion County NHD	No	
	Palmyra FPD	Yes	March 9, 2023
	PWSD 1 Marion County	Yes	March 27, 2023
	South River Drainage District	Yes	April 25, 2023
	SZC Development District, Inc. CID	Yes	June 29, 2023
	Goodman Area FPD	Yes	May 21, 2023
	McDonald County 911 Board	Yes	May 22, 2023
McDonald	McDonald County Library District	No	
	PWSD 1 McDonald County	Yes	June 20, 2023
	PWSD 3 McDonald County	Yes	May 31, 2023
	Stella FPD	Yes	June 28, 2023
	White Rock FPD	Yes	June 5, 2023
	Mercer County Ambulance District	Yes	January 25, 2023
	Mercer County Extension District	Yes	April 6, 2023
	Mercer County FPD	Yes	June 26, 2023
	Mercer County Health Department	Yes	January 6, 2023
	Mercer County Library District	Yes	February 15, 2023
Mercer	Mercer FPD	Yes	February 13, 2023
	PWSD 1 Mercer County	Yes	February 15, 2023
	Bagnell SRD Miller County	Yes	June 14, 2023
	Brumley FPD	No	
	Eagles Landing CID	Yes	May 23, 2023
	Heartland Regional Library District	Yes	June 8, 2023
	Horseshoe Bend TDD	No	
Miller			



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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Miller	Iberia Rural FPD	Yes	May 25, 2023
	Isla Del Sol CID	No	
	Kaiser SRD Miller County	Yes	June 21, 2023
	Lake Ozark FPD	Yes	June 29, 2023
	Lake Ozark-Osage Beach SwrD	Yes	May 10, 2023
	Miller County Ambulance District	Yes	June 1, 2023
	Miller County Health Center	Yes	February 22, 2023
	Moreau FPD	Yes	June 21, 2023
	Prewitt Point TDD	Yes	May 23, 2023
	St. Elizabeth FPD	Yes	February 14, 2023
	Tuscumbia FPD	No	
Mississippi	Big Lake Drainage District	No	
	Mississippi Ambulance District	Yes	June 13, 2023
	Mississippi County Health Center	No	
	Mississippi County Library District	No	
	Mississippi/Scott County FPD	Yes	April 5, 2023
Moniteau	California Rural FPD	Yes	April 25, 2023
	Fortuna FPD	No	
	Jamestown Rural FPD	Yes	May 30, 2023
	Moniteau County 911 Board	Yes	January 20, 2023
	Moniteau County Health Center	Yes	February 23, 2023
	Moniteau County Library District	Yes	January 19, 2023
	PWSD 1 Moniteau County	Yes	March 15, 2023
	PWSD 2 Moniteau County	Yes	February 2, 2023
Monroe	Madison-West Monroe FPD	Yes	April 11, 2023
	Monroe County Ambulance District	No	
	Monroe County Health Department	Yes	February 22, 2023
	Monroe County NHD	Yes	May 31, 2023
	Paris Rural FPD	Yes	February 19, 2023
Montgomery	Bellflower FPD	No	
	Big Spring FPD	Yes	June 11, 2023
	Jonesburg-High Hill FPD	Yes	February 21, 2023
	Middletown Community FPD	Yes	May 17, 2023
	Montgomery Ambulance District	No	
	Montgomery County Health Department	Yes	January 20, 2023
	Montgomery Volunteer FPD	No	
	New Florence FPD	Yes	April 26, 2023
	Rhineland Bottom SRD Montgomery County	Yes	June 30, 2023
	Wellsville SRD Montgomery County	Yes	January 26, 2023
Morgan	Barnett SRD 3 Morgan County	Yes	June 15, 2023
	Gravois Arm Sewer District	Yes	June 30, 2023
	Gravois FPD	Yes	June 22, 2023
	Gravois SRD 8 Morgan County	Yes	May 23, 2023
	Morgan County Health Center	No	
	Morgan County Library District	Yes	May 1, 2023
	PWSD 2 Morgan County	Yes	March 28, 2023
	Rocky Mount FPD	Yes	June 15, 2023



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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Morgan	Stover Rural FPD	Yes	March 28, 2023
	Versailles Rural FPD	Yes	March 14, 2023
New Madrid	Drainage District 33 New Madrid County	No	
	Drainage District 39 New Madrid County	Yes	May 23, 2023
	Drainage District 41 New Madrid County	Yes	January 19, 2023
	Lilbourn Highway D CID	No	
	New Madrid Ambulance District	Yes	June 30, 2023
	New Madrid County Health Department	Yes	February 24, 2023
	New Madrid County Library District	Yes	April 28, 2023
	PWSD 2 New Madrid County	No	
	PWSD 4 New Madrid County	Yes	April 9, 2023
	PWSD 5 New Madrid County	Yes	January 6, 2023
Newton	Diamond Area FPD	Yes	March 12, 2023
	Diamond SRD Newton County	No	
	East Newton Area FPD	Yes	June 27, 2023
	Fairview SRD Newton County	Yes	June 27, 2023
	Highway 166 CID	No	
	Midway FPD	Yes	March 11, 2023
	Midway SRD Newton County	Yes	April 19, 2023
	Neosho Area FPD	Yes	June 27, 2023
	Neosho Developers CID	Yes	March 31, 2023
	Neosho SRD Newton County	Yes	March 14, 2023
	Neosho TDD	Yes	June 19, 2023
	Neosho-Newton County PLD	Yes	June 12, 2023
	Newton County Ambulance District	Yes	January 18, 2023
	Newton County Health Department	Yes	January 13, 2023
	PWSD 1 Newton County	Yes	June 21, 2023
	Redings Mill FPD	No	
	Seneca Area FPD	Yes	March 6, 2023
	Seneca SRD Newton County	Yes	June 27, 2023
Nodaway	Clearmont FPD	No	
	Elmo Area FPD	No	
	Graham FPD	Yes	May 31, 2023
	Hopkins FPD	No	
	Jackson Township FPD	Yes	March 11, 2023
	Nodaway County Ambulance District	Yes	January 13, 2023
	Nodaway County Health Center	Yes	February 9, 2023
	Parnell FPD	Yes	May 28, 2023
	Polk Rural FPD	Yes	February 17, 2023
	PWSD 1 Nodaway County	Yes	June 28, 2023
	Skidmore FPD	Yes	June 18, 2023
	Union Township FPD	Yes	February 28, 2023
Oregon	Oregon County Ambulance District	No	
	Oregon County Health Department	No	
	Oregon County Library District	No	
	Thayer SRD Oregon County	No	
Osage	Chamois Volunteer FPD	No	

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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Osage	Lake Drainage District 1	Yes	January 6, 2023
	Linn FPD	Yes	May 28, 2023
	Osage Ambulance District	Yes	June 26, 2023
	PWSD 1 Osage County	Yes	April 5, 2023
	PWSD 2 Osage County	Yes	June 13, 2023
	PWSD 3 Osage County	Yes	April 18, 2023
	PWSD 4 Osage County	Yes	June 21, 2023
Ozark	Ozark County Ambulance District	No	
	Ozark County Health Center	No	
	PWSD 1 Ozark County	Yes	January 23, 2023
Pemiscot	Pemiscot County Health Center	Yes	March 2, 2023
	Pemiscot County Memorial Hospital	No	
	Steele Highway 61 CID	No	
Perry	Perry County Health Department	Yes	May 26, 2023
	Perryville Highway 61 & 51 CID	No	
	PWSD 1 Perry County	Yes	March 28, 2023
	PWSD 2 Perry County	Yes	May 16, 2023
Pettis	Pettis County Ambulance District	Yes	June 28, 2023
	Pettis County FPD 1	Yes	May 18, 2023
	Pettis County Health Center	Yes	June 21, 2023
	PWSD 1 Pettis-Johnson-Saline County	Yes	January 5, 2023
Phelps	Doolittle Rural FPD	Yes	June 5, 2023
	Duke Rural FPD	No	
	Edgar Springs Rural Volunteer FPD	No	
	Phelps County Regional Medical Center	Yes	May 29, 2023
	Phelps County 911 Board	Yes	June 20, 2023
	PWSD 1 Phelps County	Yes	June 13, 2023
	PWSD 2 Phelps County	Yes	June 22, 2023
	PWSD 4 Phelps County	Yes	February 7, 2023
	Rolla Rural FPD	Yes	June 20, 2023
	St. James Ambulance District	Yes	January 11, 2023
	St. James FPD	Yes	May 24, 2023
Pike	Buffalo Township FPD	Yes	January 12, 2023
	Curryville Volunteer FPD	Yes	January 25, 2023
	Eolia Community FPD	No	
	Louisiana SRD 3 Pike County	Yes	January 9, 2023
	Pike County 911 Board	Yes	February 24, 2023
	Pike County Health Department	No	
Platte	9 Highway Corridor CID	No	
	Blair Heights Sewer District	Yes	May 15, 2023
	Camden Point FPD	No	
	Central Platte County FPD	Yes	January 17, 2023
	Clemstone Sewer District	Yes	January 12, 2023
	Creekside CID	Yes	June 30, 2023
	Creekside TDD	Yes	June 30, 2023
	Dearborn Area FPD	Yes	May 16, 2023
	Drainage District 1 Platte County	No	

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Platte	Edgerton-Trimble FPD	Yes	June 29, 2023
	Farley SRD Platte County	No	
	Meadows at Creekside CID	Yes	June 30, 2023
	Northland Regional Ambulance District	Yes	May 16, 2023
	Park Plaza TDD	Yes	June 29, 2023
	Parkville Commons TDD	Yes	February 23, 2023
	Parkville Market Place #2 CID	Yes	May 9, 2023
	Parkville Market Place CID	No	
	Parkville Old Towne CID	No	
	Parkville SRD Platte County	No	
	PC-I CID	Yes	February 23, 2023
	Platte City SRD Platte County	No	
	Platte County Regional Sewer District	Yes	June 26, 2023
	Platte County Health Department	No	
	Platte County Missouri South TDD I	Yes	June 29, 2023
	Platte County Missouri South TDD II	Yes	June 29, 2023
	Platte Valley Plaza TDD	Yes	June 13, 2023
	PWSD 2 Platte County	Yes	June 13, 2023
	PWSD 4 Platte County	Yes	June 30, 2023
	PWSD 7 Platte County	No	
	PWSD 8 Platte County	No	
	Smithville Area FPD	No	
	Southern Platte Ambulance District	Yes	June 27, 2023
	Southern Platte FPD	Yes	June 14, 2023
	Tremont Square TDD	Yes	June 12, 2023
	Tuileries Plaza TDD	No	
	Village of Green Hills TDD	Yes	June 14, 2023
	Waldron Levee District	Yes	June 30, 2023
	Weatherby Lake FPD	No	
	West Platte FPD	Yes	January 24, 2023
	Weston SRD Platte County	No	
Polk	Blue Mound SRD Polk County	Yes	March 27, 2023
	Bolivar SRD Polk County	Yes	February 8, 2023
	Central Polk County FPD	Yes	April 1, 2023
	Flemington SRD Polk County	Yes	February 13, 2023
	Humansville SRD Polk County	No	
	Morrisville FPD	Yes	April 12, 2023
	Pleasant Hope FPD	No	
	Polk County 911 Board	No	
	Polk County Health Center	Yes	February 3, 2023
	Polk County Library District	Yes	June 20, 2023
	Prairie Heights Area Common SwrD	Yes	June 24, 2023
	Southwest SRD Polk County	Yes	February 17, 2023
Pulaski	Bowman TDD	Yes	March 31, 2023
	Central Ozarks Utility & Service	Yes	June 9, 2023
	Crocker Highway 17 CID	No	
	Crocker Rural FPD	Yes	February 2, 2023

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Pulaski	Dixon Ambulance District	No	
	Dixon Rural FPD	No	
	Ehrhardt Properties TDD	Yes	June 7, 2023
	Farris Family TDD	No	
	Hazelgreen FPD	No	
	Interstate Plaza/North Town Village TDD	Yes	June 28, 2023
	Liberty Commons CID Pulaski County	Yes	March 23, 2023
	Plattner CID	Yes	June 5, 2023
	Pulaski County 911 Board	Yes	January 12, 2023
	Pulaski County Ambulance District	Yes	May 31, 2023
	Pulaski County Health Department	Yes	May 30, 2023
	Pulaski County Library District	Yes	May 18, 2023
	Pulaski County Sewer District	No	
	PWSD 1 Pulaski County	Yes	May 24, 2023
	PWSD 2 Pulaski County	Yes	June 14, 2023
	Waynesville Rural FPD	No	
	Westgate CID	Yes	June 29, 2023
Putnam	Elm Township FPD	Yes	February 27, 2023
	Grant Township FPD	No	
	Lake Thunderhead SRD Putnam County	Yes	April 1, 2023
	Liberty Township FPD	Yes	June 29, 2023
	Putnam County Ambulance District	No	
	Putnam County E-911 Board	Yes	February 13, 2023
	Putnam County Health Department	Yes	January 9, 2023
	Putnam County Library District	Yes	June 26, 2023
	Unionville SRD Putnam County	No	
	York Township Volunteer FPD	No	
Ralls	Hannibal Rural FPD	Yes	May 11, 2023
	PWSD 1 Ralls County	Yes	June 28, 2023
	Ralls County 911 Board	Yes	May 25, 2023
	Ralls County Ambulance District 3	Yes	June 20, 2023
	Ralls County Health Department	Yes	February 9, 2023
	Ralls County Library District	No	
Randolph	Eastern Randolph Rural FPD	Yes	June 2, 2023
	Higbee Area FPD	Yes	January 15, 2023
	Little Dixie Regional PLD	Yes	May 24, 2023
	Northeast R-IV Rural FPD	Yes	June 2, 2023
	Randolph County Ambulance District	Yes	January 20, 2023
	Randolph County Health Department	Yes	February 9, 2023
	Southeastern Randolph FPD	Yes	June 2, 2023
	Thomas Hill PWSD 1 Randolph County	No	
Ray	Westran FPD	No	
	Consolidated PWSD 2 Ray County	No	
	Crooked River Drainage District	No	
	Crystal Lakes SRD Ray County	Yes	June 29, 2023
	Drainage District Ray County	Yes	February 2, 2023
	Egypt Levee District	Yes	February 2, 2023

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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Ray	Hardin FPD	No	
	Hardin SRD Ray County	No	
	Hardin-Oak Grove Drainage District	Yes	March 6, 2023
	Henrietta-Crooked River D&LD	No	
	Lawson Community Fire & Rescue	Yes	June 21, 2023
	Levee District 1 Ray County	No	
	Levee District 5 Ray County	No	
	Missouri Valley D&LD	Yes	January 23, 2023
	Orrick FPD	Yes	January 13, 2023
	PWSD 1 Ray County	Yes	May 11, 2023
	Ray County 911 Board	Yes	April 28, 2023
	Ray County Health Department	Yes	February 28, 2023
	Ray County Library District	Yes	June 28, 2023
	Richmond FPD	Yes	June 6, 2023
	Stet Rural FPD	No	
	Tri-County Drainage District	No	
	Wood Heights FPD	Yes	June 25, 2023
Reynolds	Garwood FPD	No	
	Northern Reynolds County FPD	Yes	May 12, 2023
	PWSD 1 Reynolds County	Yes	January 31, 2023
	Reynolds County 911 Board	Yes	January 19, 2023
	Reynolds County Ambulance District	Yes	June 8, 2023
	Reynolds County Health Center	No	
Ripley	Reynolds County Library District	Yes	June 30, 2023
	Bennett SRD Ripley County	Yes	April 19, 2023
	Current River SRD Ripley County	Yes	April 19, 2023
	Doniphan SRD Ripley County	Yes	January 26, 2023
	Fairdealing SRD Ripley County	Yes	April 19, 2023
	Flatwoods SRD Ripley County	Yes	April 19, 2023
	Jordan SRD Ripley County	Yes	April 19, 2023
	Little Black SRD Ripley County	Yes	April 19, 2023
	Logan Creek SRD Ripley County	Yes	April 19, 2023
	Mabrey Bay SRD Ripley County	Yes	April 19, 2023
	Naylor Drainage District	Yes	April 3, 2023
	Naylor SRD Ripley County	Yes	April 19, 2023
	Oxly SRD Ripley County	Yes	April 19, 2023
	Pine Bardley SRD Ripley County	Yes	April 19, 2023
	Ponder Gatewood SRD Ripley County	Yes	April 19, 2023
	Poynor SRD Ripley County	Yes	April 19, 2023
	Pratt SRD Ripley County	Yes	April 19, 2023
	Purman SRD Ripley County	Yes	January 18, 2023
	PWSD 1 Ripley County	Yes	May 24, 2023
	PWSD 2 Ripley County	Yes	April 13, 2023
	Ripley County Public Health Center	Yes	January 12, 2023
	Running Water SRD Ripley County	Yes	April 19, 2023
	Tucker Bay SRD Ripley County	Yes	April 19, 2023
	Wolfe Creek SRD Ripley County	Yes	April 19, 2023

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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Saline	Blackburn Elmwood SRD Saline County	Yes	January 19, 2023
	Cole Lake Drainage District 2	Yes	March 16, 2023
	Fish Creek Reorganized Drainage District	Yes	March 3, 2023
	Gilliam SRD Saline County	Yes	June 8, 2023
	Grand Pass SRD Saline County	No	
	Levee District 2 Saline County	Yes	May 8, 2023
	Malta Bend FPD	Yes	March 25, 2023
	Malta Bend Levee District	Yes	March 25, 2023
	Malta Bend SRD Saline County	Yes	March 16, 2023
	Marshall SRD Saline County	Yes	January 13, 2023
	PWSD 1 Saline County	Yes	January 25, 2023
	PWSD 2 Saline County	Yes	April 26, 2023
	PWSD 3 Saline County	No	
	Saline County 911 Board	Yes	June 23, 2023
	Saline County Ambulance District 3	Yes	February 23, 2023
	Saline County Health Department	No	
	Saline County Rural FPD	No	
	Saline-Lafayette County Levee District	Yes	January 17, 2023
	Slater Ambulance District 1	Yes	February 8, 2023
	Slater Rural FPD	No	
	Slater SRD Saline County	Yes	February 15, 2023
	Sweet Springs Ambulance District	Yes	May 19, 2023
	Sweet Springs SRD Saline County	Yes	January 17, 2023
	West Central FPD	Yes	May 17, 2023
	West Glasgow Levee District	Yes	December 14, 2022
Schuyler	Consolidated PWSD 1 Schuyler County	No	
	Lancaster Fire and Rescue FPD	Yes	June 20, 2023
	Schuyler County Health Department	Yes	February 2, 2023
	Schuyler County Library District	Yes	February 27, 2023
Scotland	Bear Creek Watershed Subdistrict	No	
	Consolidated PWSD 1 Scotland County	No	
	Scotland County Ambulance District	Yes	May 26, 2023
	Scotland County Health Department	Yes	February 8, 2023
	Scotland County Library District	Yes	June 29, 2023
Scott	NBC FPD	Yes	May 27, 2023
	North Main/Malone TDD	Yes	April 26, 2023
	Oran FPD	Yes	June 30, 2023
	PWSD 1 Scott County	Yes	June 29, 2023
	PWSD 2 Scott County	No	
	Scott County Health Department	Yes	February 15, 2023
	Scott County Rural FPD	No	
	Southern Scott Ambulance District	Yes	January 23, 2023
Shannon	Shannon County Ambulance District	No	
	Shannon County Health Department	No	
	Timber Community FPD	Yes	January 10, 2023
Shelby	Salt River Ambulance District	Yes	June 30, 2023
	Salt River NHD	Yes	June 29, 2023

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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Shelby	Shelbina FPD	Yes	June 8, 2023
	Shelbina SRD Shelby County	Yes	April 3, 2023
	Shelby County Health Department	Yes	January 4, 2023
St. Charles	501 South Main Street CID	Yes	May 1, 2023
	Augusta FPD	No	
	BaratHaven CID	Yes	June 9, 2023
	BaratHaven TDD	Yes	June 9, 2023
	Bear Creek CID	Yes	June 29, 2023
	Belleau CID	Yes	March 24, 2023
	Bogey Hills Plaza CID	Yes	June 1, 2023
	Boscherts Landing TDD	No	
	Bryan Road CID	Yes	June 19, 2023
	Caledonia CID	Yes	March 28, 2023
	Central County Fire & Rescue	Yes	June 30, 2023
	Cottleville FPD	Yes	June 28, 2023
	Cottleville Greenway CID	Yes	March 24, 2023
	Crown CID	Yes	June 7, 2023
	Crown TDD	Yes	June 7, 2023
	Dardenne Town Square TDD	Yes	May 22, 2023
	Darst Bottom Levee District	No	
	Duckett Creek Sewer District	Yes	May 17, 2023
	Elm & 370 CID	Yes	May 2, 2023
	Elm Point Commons CID	Yes	May 2, 2023
	Fairgrounds Road CID	Yes	March 24, 2023
	First Capital Drive TDD	No	
	Fountain Lakes Commerce Center North CID	Yes	June 29, 2023
	Fountain Lakes Community Center South CID	Yes	June 29, 2023
	Greens Bottom Drainage District	Yes	June 30, 2023
	Hancock Drainage District	Yes	June 30, 2023
	Hutchings Farm Plaza TDD	Yes	June 30, 2023
	Junction CID	Yes	April 10, 2023
	Junction TDD	Yes	April 10, 2023
	Kingsmill TDD	Yes	June 30, 2023
	Lake St. Louis FPD	No	
	Mark Twain Mall TDD	No	
	Megan Shoppes TDD	Yes	March 27, 2023
	Mexico Road TDD	Yes	June 13, 2023
	Mid Rivers/North TDD	Yes	March 24, 2023
	New Melle FPD	Yes	June 1, 2023
	New Town at St. Charles	Yes	March 16, 2023
	New Town at St. Charles II	Yes	March 16, 2023
	O'Fallon FPD	Yes	June 21, 2023
	O'Fallon Retail Walk CID	Yes	June 1, 2023
	Old Town Cottleville CID	Yes	March 23, 2023
	Orchard Farm FPD	Yes	April 5, 2023
	Plaza at Noah's Ark CID	Yes	March 29, 2023
	Rivers Pointe FPD	Yes	June 27, 2023



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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Charles	South Ridge CID	Yes	May 2, 2023
	St. Charles County Ambulance District	Yes	June 29, 2023
	St. Charles Riverfront CID	Yes	June 30, 2023
	St. Charles Riverfront TDD	Yes	June 30, 2023
	Streets of Caledonia CID	Yes	April 25, 2023
	Suits U Mexico CID	Yes	March 24, 2023
	Veterans Memorial Parkway CID	Yes	May 2, 2023
	Waterbury Storm Water CID	Yes	March 7, 2023
	Wentzville Bend CID	Yes	June 29, 2023
	Wentzville Bluffs CID	Yes	May 4, 2023
	Wentzville Commons Connector TDD	No	
	Wentzville FPD	Yes	May 26, 2023
	Wentzville II TDD	Yes	June 29, 2023
	Wentzville Industrial TDD	No	
	Wentzville Parkway I TDD	No	
	Wentzville Parkway Regional CID	Yes	June 29, 2023
	Wentzville TDD	Yes	June 29, 2023
	Wentzville Three TDD	No	
	West Clay Extension CID	Yes	June 23, 2023
	WingHaven TDD	Yes	June 22, 2023
	Zumbuhl Road CID	Yes	May 19, 2023
St. Clair	Appleton City SRD St. Clair County	Yes	January 13, 2023
	Chloe SRD St. Clair County	No	
	Collins CID	No	
	Collins FPD	Yes	June 13, 2023
	Collins SRD St. Clair County	No	
	Hillsdale SRD St. Clair County	No	
	Iconium FPD	Yes	February 10, 2023
	Lowry City SRD St. Clair County	No	
	Osceola SRD St. Clair County	No	
	Sac Osage FPD	No	
	St. Clair County Health Center	Yes	January 4, 2023
	St. Clair County Library District	Yes	February 10, 2023
	Vista SRD St. Clair County	No	
St. Francois	Doe Run FPD	Yes	June 23, 2023
	Park Hills TDD	Yes	June 29, 2023
	Pilot Knob Rural Water District	No	
	PWSD 1 St. Francois County	Yes	June 27, 2023
	PWSD 2 St. Francois County	Yes	January 19, 2023
	St. Francois Ambulance District	Yes	June 30, 2023
	St. Francois County 911 Board	Yes	June 21, 2023
	St. Francois County Health Center	Yes	May 12, 2023
	Wolf Creek FPD	Yes	May 23, 2023
St. Louis	1030 Woodcrest Terrace Drive CID	No	
	1030 Woodcrest Terrace Drive TDD	No	
	12796 Manchester Road TDD	Yes	May 2, 2023
	370/MO Bottom Road/Taussig Road TDD	No	



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St. Louis	4325 Butler Hill Road CID	Yes	May 9, 2023
	8750 Manchester Road CID	Yes	May 22, 2023
	Adie/St. Charles Rock Road CID	Yes	April 26, 2023
	Affton FPD	Yes	June 5, 2023
	Affton Plaza CID	Yes	June 30, 2023
	Ballwin Town TDD	No	
	Black Jack FPD	Yes	June 9, 2023
	Brentwood Pointe TDD	No	
	Brentwood Public Library District	Yes	March 20, 2023
	Brentwood/Eager TDD	Yes	June 27, 2023
	Bridgeton NWP CID	Yes	April 26, 2023
	Bridgeton NWP TDD	Yes	April 26, 2023
	Bridgeton Powerplex CID	Yes	May 8, 2023
	Castle Point Street Light District	Yes	June 21, 2023
	Centene Plaza TDD	No	
	Center at Kenrick Plaza CID	Yes	June 30, 2023
	Chambers/West Florissant CID	Yes	April 13, 2023
	Chesterfield Blue Valley CID	Yes	June 26, 2023
	Chesterfield Commons TDD	No	
	Chesterfield Valley TDD	Yes	April 5, 2023
	Clarkson Kehrs Mill TDD	No	
	Colonial Marketplace CID	Yes	June 23, 2023
	Community FPD	Yes	June 29, 2023
	Crestwood Point CID	Yes	June 15, 2023
	Crestwood Point TDD	Yes	June 1, 2023
	Crestwood Square CID	Yes	May 4, 2023
	Creve Coeur FPD	Yes	June 22, 2023
	Crossings CID	Yes	June 30, 2023
	Des Peres Corners TDD	Yes	May 2, 2023
	Dierbergs Des Peres TDD	No	
	Ellisville Marketplace CID	Yes	June 29, 2023
	Elm Grove TDD	Yes	June 13, 2023
	Elmwood Park Street Light District	No	
	Eureka Commercial Park TDD	Yes	May 2, 2023
	Eureka FPD	Yes	June 29, 2023
	Fenton FPD	Yes	June 29, 2023
	Florissant Valley FPD	Yes	June 30, 2023
	Fountain Plaza CID	Yes	February 1, 2023
	Francis Place TDD	Yes	June 21, 2023
	Glasgow Village SLD	No	
	Grant Center CID	Yes	May 8, 2023
	Gravois Bluffs TDD	Yes	May 4, 2023
	Green Trails CID	Yes	May 22, 2023
	Hancock Street Light District	Yes	March 9, 2023
	Hanley Road Corridor TDD	Yes	June 29, 2023
	Hanley Station TDD	Yes	June 30, 2023
	Hanley/Eager Road TDD	Yes	June 30, 2023

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Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis	Highway 367 & Parker Road TDD	Yes	March 24, 2023
	Hilltop CID	Yes	June 29, 2023
	Kenrick Plaza CID	Yes	May 4, 2023
	Kinloch FPD	No	
	Koch Plaza TDD	Yes	May 2, 2023
	Lafayette Center CID	Yes	May 4, 2023
	Lemay CID	Yes	March 21, 2023
	Lemay FPD	Yes	June 28, 2023
	Lindbergh East Concord TDD	Yes	June 14, 2023
	Loop Trolley TDD	No	
	Lormil Heights TDD	Yes	June 23, 2023
	Lucas & Hunt/Chandler TDD	Yes	June 29, 2023
	MacKenzie Pointe Center CID	Yes	June 15, 2023
	Manchester Highlands TDD	Yes	June 13, 2023
	Manchester/Ballas CID	Yes	June 30, 2023
	Market at McKnight TDD	Yes	June 1, 2023
	Maryland Heights FPD	Yes	June 13, 2023
	Maryland Oaks CID	Yes	April 28, 2023
	Mayfair Plaza CID	Yes	March 24, 2023
	Mehlville FPD	Yes	June 22, 2023
	Meramec Station Road & Hwy 141 TDD	Yes	June 27, 2023
	Metro North FPD	Yes	June 27, 2023
	Metro West FPD	Yes	June 1, 2023
	Metro Zoological Park & Museum District	Yes	May 30, 2023
	Metropolitan Taxicab Commission	Yes	June 15, 2023
	Mid-County FPD St. Louis County	Yes	June 29, 2023
	Midwest Plaza CID	Yes	May 4, 2023
	Missouri Bottom Road CID	Yes	May 18, 2023
	Missouri Bottom Road TDD	Yes	May 18, 2023
	Missouri Clean Energy District	Yes	June 26, 2023
	Monarch FPD	Yes	June 28, 2023
	Natural Bridge/St. Charles Rock Road CID	Yes	March 30, 2023
	NEWCO TDD	Yes	June 29, 2023
	North County Fire & Rescue FPD	Yes	June 21, 2023
	North Oaks Plaza Shopping Center CID	Yes	May 22, 2023
	North Outer Forty TDD	Yes	June 6, 2023
	Northeast Ambulance & FPD	No	
	NWP CID	Yes	April 26, 2023
	Old Dorsett Road CID	Yes	May 30, 2023
	Old Dorsett Road TDD	Yes	May 30, 2023
	Olive/Graeser TDD	Yes	June 16, 2023
	Paddock Forest CID	Yes	May 22, 2023
	Pattonville FPD	Yes	June 28, 2023
	Pershall Road TDD	Yes	June 15, 2023
	Robertson FPD	Yes	June 30, 2023
	Robinwood West CID	Yes	February 23, 2023
	Seven Trails Drive TDD	No	

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis	Shawneetown Acres CID	Yes	April 26, 2023
	Shawneetown Acres TDD	Yes	April 26, 2023
	Shoppes at Cross Keys TDD	Yes	June 29, 2023
	Shoppes at Hilltop TDD	Yes	May 8, 2023
	Shoppes at Old Webster TDD	Yes	June 7, 2023
	Shoppes at Sunset Hills CID	Yes	June 28, 2023
	South Hanley Road CID	Yes	May 22, 2023
	South Manchester TDD	Yes	June 13, 2023
	Spanish Lake FPD	Yes	June 7, 2023
	St. Ann City-Wide TDD	No	
	St. Charles Rock Road CID	Yes	June 29, 2023
	St. Charles Rock Road TDD	No	
	St. Cyr Road TDD	Yes	January 24, 2023
	St. John Crossings TDD	Yes	June 29, 2023
	St. John's Church Road TDD	Yes	May 22, 2023
	St. Louis County Library District	Yes	May 8, 2023
	St. Louis Ice Center CID	No	
	Station Plaza TDD	Yes	February 24, 2023
	Telegraph Crossing North CID	Yes	May 8, 2023
	Tori Pines Commons CID	Yes	March 27, 2023
	Town & Country Crossing TDD	Yes	June 30, 2023
	University Place TDD	Yes	June 29, 2023
	Upper West End Park CID	Yes	January 20, 2023
	Valley Park FPD	Yes	June 28, 2023
	Victoria Crossing CID	Yes	March 27, 2023
	Viking Conference Center CID	Yes	March 29, 2023
	Watson Plaza CID	Yes	June 29, 2023
	Watson-Laclede Station Road CID	Yes	May 9, 2023
	West County EMS & FPD	Yes	June 22, 2023
	West Overland EMS & FPD	Yes	June 28, 2023
	Westport Plaza I CID	Yes	May 30, 2023
	Westport Plaza II CID	Yes	May 2, 2023
	Westport Plaza TDD	Yes	May 30, 2023
	Wheaton Cook Lyndhurst SLD	No	
St. Louis City	620 Market TDD	Yes	June 29, 2023
	Adler Lofts TDD	No	
	Bottle District TDD	No	
	Broadway Hotel TDD	Yes	May 30, 2023
	CB 5421/5975 TDD	No	
	Crowne Plaza TDD	Yes	June 30, 2023
	Euclid Buckingham TDD	Yes	June 30, 2023
	Hampton Berthold CID	Yes	June 30, 2023
	Hampton Berthold TDD	Yes	June 30, 2023
	Highlands TDD	Yes	March 23, 2023
	Holly Hills SBD	No	
	Laclede's Landing CID	Yes	March 3, 2023
	Laurel TDD	No	

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis City	Meadows TDD	Yes	May 3, 2023
	Merchant's Laclede TDD	Yes	June 27, 2023
	Southtown TDD	Yes	March 23, 2023
	St. Louis Food Hub TDD	Yes	May 1, 2023
	Tower Grove South Concerned Citizen SBD	Yes	January 23, 2023
Ste. Genevieve	Ozora CID	Yes	June 29, 2023
	PWSD 1 Ste. Genevieve County	Yes	March 15, 2023
	Ste. Genevieve County Health Center	Yes	June 27, 2023
	Ste. Genevieve County PLD	Yes	March 16, 2023
	Ste. Genevieve County SRD A	Yes	April 3, 2023
Stoddard	Bluff SRD Stoddard County	Yes	January 30, 2023
	Crowder Zeta SRD Stoddard County	Yes	January 28, 2023
	Drainage District 12 Stoddard County	Yes	June 23, 2023
	Drainage District 15 Stoddard County	Yes	June 23, 2023
	Drainage District 28 Stoddard County	Yes	June 1, 2023
	Drainage District 31 Stoddard County	Yes	June 23, 2023
	Drainage District 4 Stoddard County	Yes	June 23, 2023
	Drainage District 5 Stoddard County	Yes	June 23, 2023
	Drainage District 6 Stoddard County	Yes	June 23, 2023
	Dudley SRD Stoddard County	No	
	Gray Ridge SRD Stoddard County	Yes	February 17, 2023
	Lavalle SRD Stoddard County	Yes	March 8, 2023
	PWSD 3 Stoddard County	Yes	February 28, 2023
	PWSD 5 Stoddard County	Yes	April 22, 2023
	PWSD 6 Stoddard County	Yes	February 15, 2023
	PWSD 7 Stoddard County	Yes	January 20, 2023
	Stoddard County 911 Board	Yes	January 23, 2023
	Stoddard County Ambulance District	No	
	Stoddard County Public Health Center	No	
Stone	Hurley FPD	No	
	Indian Ridge TDD	No	
	North Stone-Northeast Barry County FPD	Yes	June 14, 2023
	PWSD 1 Stone County	Yes	April 4, 2023
	PWSD 2 Stone County	Yes	June 28, 2023
	Reorganized Common SwrD Stone County	Yes	June 28, 2023
	Southern Stone County FPD	Yes	June 15, 2023
	Stone County 911 Board	No	
	Stone County Health Department	Yes	June 29, 2023
	Stone County Library District	No	
Sullivan	Flori Drive CID	Yes	April 18, 2023
	Harris SRD Sullivan County	Yes	March 9, 2023
	Locust Creek Watershed Subdistrict	Yes	June 14, 2023
	Medicine Creek FPD	Yes	January 17, 2023
	Milan SRD Sullivan County	Yes	June 23, 2023
	Sullivan County Ambulance District	Yes	January 4, 2023
	Sullivan County Health Department	Yes	January 5, 2023
	Sullivan County Library District	Yes	June 1, 2023

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Taney	76 Entertainment CID	Yes	June 16, 2023
	Branson Commerce Park CID	No	
	Branson Creek CID	No	
	Branson Hills CID	No	
	Branson Hills Infrastructure Fa CID	No	
	Branson Landing TDD	Yes	June 20, 2023
	Branson Regional Airport TDD	Yes	June 28, 2023
	Cedarcreek FPD	Yes	May 20, 2023
	Central Taney County FPD	Yes	April 18, 2023
	Fall Creek Valley CID	Yes	February 27, 2023
	Forsythe Road CID	No	
	Forsythe Road TDD	No	
	Historic Downtown Branson CID	Yes	May 8, 2023
	Protem FPD	Yes	June 19, 2023
	PWSD 1 Taney County	Yes	January 31, 2023
	PWSD 2 Taney County	Yes	June 30, 2023
	PWSD 3 Taney County	Yes	June 30, 2023
	Taney County Ambulance District	Yes	June 26, 2023
	Taney County Health Department	No	
	Taney County Regional SwrD	Yes	May 17, 2023
	Western Taney County FPD	No	
Texas	Licking Route 32 CID	No	
	PWSD 1 Texas County	Yes	May 12, 2023
	PWSD 2 Texas County	Yes	May 16, 2023
	PWSD 3 Texas County	Yes	June 30, 2023
	PWSD 4 Texas County	Yes	March 9, 2023
	TCMH CID	Yes	June 5, 2023
	Texas County EMS Board	No	
	Texas County Health Department	Yes	March 8, 2023
	Texas County Library District	Yes	May 9, 2023
	Texas County Memorial Hospital	No	
Vernon	Consolidated PWSD 1 Vernon County	Yes	June 30, 2023
	PWSD 2 Vernon County	Yes	March 27, 2023
	PWSD 7 Vernon County	No	
	Vernon County Health Department	Yes	January 24, 2023
Warren	Marthasville Community Ambulance District	Yes	February 15, 2023
	Marthasville FPD	Yes	June 29, 2023
	Warren County 911 Board	Yes	May 3, 2023
	Warren County Ambulance District	Yes	June 6, 2023
	Wright City FPD	Yes	June 28, 2023
Washington	Caledonia FPD	Yes	March 12, 2023
	Irondale FPD	Yes	May 1, 2023
	Potosi FPD	Yes	March 30, 2023
	PWSD 1 Washington County	Yes	January 20, 2023
	PWSD 4 Washington County	Yes	January 16, 2023
	Richwoods FPD	Yes	January 13, 2023
	Washington County 911 Board	No	

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Washington	Washington County Ambulance District	Yes	May 20, 2023
	Washington County Health Department	Yes	February 6, 2023
	Washington County Library District	Yes	June 27, 2023
Wayne	Clearwater FPD	Yes	June 13, 2023
	PWSD 2 Wayne County	Yes	February 16, 2023
	PWSD 4 Butler-Wayne County	No	
	Wayne County Health Center	Yes	January 19, 2023
Webster	Marshfield FPD	Yes	March 9, 2023
	Niangua FPD	No	
	Seymour SRD Webster County	Yes	March 3, 2023
	Southern Webster County FPD	Yes	June 1, 2023
	Spindler TDD	Yes	January 10, 2023
	Webster County 911 Board	Yes	May 24, 2023
	Webster County Health Unit	No	
	Webster County Library District	Yes	June 29, 2023
	Worth County 911 Board	Yes	May 5, 2023
Worth	Worth County Ambulance District	Yes	June 13, 2023
	Worth County FPD	Yes	March 8, 2023
	Mountain Grove SRD Wright County	Yes	April 10, 2023
Wright	PWSD 1 Wright County	Yes	January 2, 2023
	Wright County 911 Board	No	
	Wright County Health Department	Yes	January 19, 2023
	Wright County Library District	Yes	June 27, 2023
Total Filed		1,123	
Total Not Filed		404	

Acronyms:

CID	Community Improvement District
D&LD	Drainage and Levee District
DD	Drainage District
EMS	Emergency Services
FPD	Fire Protection District
HHA	Home Health Agency
NHD	Nursing Home District
PACE	Property Assessed Clean Energy
PID	Port Improvement District
PLD	Public Library District
PWSD	Public Water Supply District
RRD	Regional Recreational District
SBD	Special Business District
SLD	Street Light Maintenance District
SRD	Special Road District
SwrD	Sewer District
TDD	Transportation Development District
WSD	Watershed Subdistrict

Appendix B  
 Status of Political Subdivisions Required to File Annual Financial Reports  
 Reports Due March 31, 2023  
 Filed in June 2023

Fiscal Year Ended September 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jefferson	Glaize Creek Sewer District	Yes	June 15, 2023
Total Filed		1	

## Appendix C

### Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due April 30, 2023

Filed in June 2023

Fiscal Year Ended October 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jasper	1717 Market Place TDD	Yes	June 27, 2023
Macon	Callao Town & Country Volunteer FPD	Yes	June 25, 2023
Newton	Hope Valley CID	Yes	June 27, 2023
Total Filed		3	

#### Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
TDD	Transportation Development District





# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
June 2023

Report No. 2023-036

August 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## June 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by June 30, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 263 cities, 11 towns, and 130 villages is presented in summary on page 4 and by individual entity in Appendix A. The filing status for 5 counties is presented in summary on page 4 and by individual entity in Appendix B. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in June 2023, after their filing deadline. The filing status for these 9 cities and 1 village is presented in summary on page 4 and by individual entity in Appendixes C to E.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

June 2023

## Executive Summary

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### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. Rule 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires that the SAO notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and mandatory ballot measure to dissolve the political subdivision.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



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Monthly Report on Municipal Court and Revenue Filings  
June 2023  
Executive Summary

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This report includes the filing status for the 263 cities, 11 towns, and 130 villages with a fiscal year end of December 31, 2022, whose financial report was due by June 30, 2023. Of the 404 municipalities, 269 filed the financial report timely. Of the 235 municipalities required to file an addendum, 128 filed timely. Of the 95 municipalities required to file a certification, 65 filed timely.

This report includes the filing status for the 5 counties, with a fiscal year end of December 31, 2022, whose addendum and certification was due by June 30, 2023. Of these entities, 3 filed their addendum timely, and 3 filed their certification timely.

This report includes the filing status for 9 cities and 1 village that filed at least one of the items (financial report, addendum, or certification) in June 2023, after their filing deadline. Of these municipalities, 3 filed an annual financial report, 7 filed an addendum, and 5 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual	Date Financial Report Filed	Filed Addendum	Filed Certification
		Financial Report			
Adair	City of Brashear	Yes	May 26, 2023	Yes	N/A
	City of Kirksville	Yes	June 28, 2023	Yes	N/A
	Village of Millard	Yes	January 9, 2023	N/A	N/A
Andrew	City of Bolckow	No		N/A	N/A
	Village of Cosby	Yes	January 27, 2023	N/A	N/A
	Village of Country Club	Yes	February 23, 2023	Yes	N/A
	Village of Rea	No		N/A	N/A
	Village of Rosendale	No		N/A	N/A
Atchison	City of Fairfax	Yes	June 30, 2023	Yes	N/A
	City of Rock Port	Yes	June 30, 2023	Yes	N/A
	Village of Watson	Yes	June 16, 2023	N/A	N/A
Audrain	Village of Rush Hill	Yes	April 6, 2023	Yes	N/A
Barry	Arrow Point Village, Inc.	Yes	May 12, 2023	N/A	N/A
	City of Butterfield	Yes	May 23, 2023	No	N/A
	City of Cassville	Yes	June 13, 2023	No	N/A
	City of Seligman	No		No	Yes
	City of Wheaton	Yes	April 5, 2023	Yes	Yes
	Village of Chain O Lakes	Yes	May 30, 2023	N/A	N/A
	Village of Emerald Beach	Yes	June 20, 2023	N/A	N/A
	City of Liberal	Yes	June 29, 2023	No	N/A
	Village of Lamar Heights	Yes	February 8, 2023	No	N/A
	City of Amoret	Yes	June 17, 2023	N/A	N/A
Bates	City of Hume	No		N/A	N/A
	City of Rich Hill	No		No	N/A
	City of Rockville	No		N/A	N/A
	Village of Foster	Yes	April 17, 2023	N/A	N/A
	Village of Passaic	No		N/A	N/A
	City of Cole Camp	Yes	June 7, 2023	Yes	Yes
Benton	City of Lincoln	Yes	June 27, 2023	Yes	N/A
	City of Warsaw	Yes	June 30, 2023	Yes	Yes
	Village of Glen Allen	Yes	May 31, 2023	N/A	N/A
Bollinger	Village of Sedgewickville	No		N/A	N/A
	Town of Harrisburg	Yes	June 9, 2023	N/A	N/A
Boone	Town of McBaine	No		N/A	N/A
	Village of Pierpont	Yes	June 19, 2023	N/A	N/A
Buchanan	City of Easton	Yes	March 21, 2023	Yes	N/A
	Village of DeKalb	Yes	February 22, 2023	N/A	N/A
	Village of Rushville	Yes	March 19, 2023	N/A	N/A
Butler	City of Neelyville	No		N/A	N/A
	City of Poplar Bluff	No		No	Yes
Caldwell	City of Kidder	Yes	January 15, 2023	No	N/A
	City of Kingston	Yes	February 26, 2023	N/A	N/A
	City of Polo	Yes	March 9, 2023	Yes	N/A
Callaway	City of Auxvasse	No		No	N/A
	City of Fulton	Yes	June 30, 2023	No	N/A
	City of Holts Summit	Yes	June 29, 2023	Yes	N/A
	City of Mokane	Yes	February 8, 2023	N/A	N/A
	City of New Bloomfield	Yes	June 14, 2023	Yes	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual	Date Financial Report Filed	Filed Addendum	Filed Certification
		Financial Report			
Camden	City of Osage Beach	Yes	June 7, 2023	Yes	No
	Village of Four Seasons	Yes	June 23, 2023	Yes	N/A
Cape Girardeau	City of Jackson	Yes	June 19, 2023	Yes	Yes
	Town of Allenville	No		Yes	N/A
Carroll	City of Bosworth	No		No	N/A
	City of Hale	Yes	May 26, 2023	Yes	N/A
	Town of Carrollton	No		Yes	N/A
	Village of Tina	No		No	N/A
Carter	City of Grandin	Yes	January 17, 2023	Yes	N/A
	City of Van Buren	No		No	N/A
Cass	City of Drexel	Yes	June 1, 2023	Yes	N/A
	City of East Lynne	No		No	N/A
	City of Harrisonville	Yes	June 27, 2023	Yes	Yes
	City of Lake Winnebago	Yes	May 3, 2023	Yes	Yes
	City of Strasburg	Yes	March 27, 2023	Yes	N/A
	Village of Gunn City	No		N/A	N/A
	Village of Riverview Estates	Yes	March 20, 2023	N/A	N/A
	Village of West Line	Yes	January 19, 2023	N/A	N/A
	Village of Umber View Heights	Yes	June 7, 2023	N/A	N/A
	City of Mendon	No		N/A	N/A
Chariton	City of Sumner	Yes	March 23, 2023	N/A	N/A
	Village of Rothville	No		N/A	N/A
	City of Billings	Yes	April 21, 2023	Yes	N/A
Christian	City of Fremont Hills	Yes	May 4, 2023	No	N/A
	City of Nixa	Yes	May 5, 2023	No	N/A
	City of Ozark	No		No	N/A
	Village of Saddlebrooke	Yes	January 8, 2023	N/A	N/A
Clark	City of Revere	No		N/A	N/A
	City of Wyaconda	Yes	June 14, 2023	N/A	N/A
	Village of Luray	No		N/A	N/A
Clay	City of Glenaire	No		No	N/A
	City of Liberty	Yes	June 30, 2023	Yes	Yes
	City of Missouri City	Yes	June 30, 2023	Yes	N/A
	City of Pleasant Valley	Yes	May 26, 2023	Yes	Yes
	City of Randolph	Yes	May 27, 2023	N/A	N/A
	Village of Prathersville	Yes	June 6, 2023	Yes	N/A
	City of Trimble	Yes	May 26, 2023	Yes	N/A
Clinton	Village of Turney	No		N/A	N/A
	City of Russellville	Yes	May 16, 2023	N/A	N/A
Cole	Village of Wardsville	Yes	June 30, 2023	No	N/A
Cooper	City of Otterville	Yes	January 18, 2023	Yes	N/A
	Village of Windsor Place	No		No	N/A
Crawford	Village of Leasburg	No		No	N/A
	Village of West Sullivan	Yes	June 6, 2023	N/A	N/A
Dade	Village of Arcola	No		N/A	N/A
	Village of Dadeville	Yes	March 8, 2023	N/A	N/A
	Village of South Greenfield	No		N/A	N/A
Daviess	City of Gallatin	Yes	June 30, 2023	No	N/A



Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Daviess	Village of Jameson	Yes	February 7, 2023	N/A	N/A
	Village of Lock Springs	No		N/A	N/A
	Village of Winston	Yes	March 24, 2023	Yes	N/A
DeKalb	City of Stewartsville	Yes	June 30, 2023	No	N/A
	City of Union Star	Yes	January 27, 2023	No	N/A
Dunklin	City of Cardwell	No		No	No
	Village of Rives	No		N/A	N/A
Franklin	City of Gerald	No		Yes	N/A
	City of St. Clair	Yes	June 27, 2023	Yes	Yes
	Town of Charmwood	No		N/A	N/A
Gentry	Village of Oak Grove	Yes	May 26, 2023	N/A	N/A
	City of McFall	Yes	March 6, 2023	N/A	N/A
	City of Stanberry	Yes	April 19, 2023	Yes	N/A
Greene	City of Republic	Yes	June 28, 2023	Yes	Yes
	City of Walnut Grove	No		No	No
	City of Willard	No		Yes	Yes
Grundy	City of Laredo	Yes	April 13, 2023	N/A	N/A
Harrison	City of Bethany	Yes	June 30, 2023	Yes	N/A
	City of Cainsville	Yes	April 21, 2023	N/A	N/A
	City of Gilman City	Yes	June 28, 2023	No	N/A
	City of New Hampton	Yes	February 15, 2023	No	N/A
	City of Ridgeway	Yes	March 16, 2023	Yes	N/A
	Village of Blythedale	Yes	June 22, 2023	N/A	N/A
	Village of Eagleville	No		No	N/A
	City of Blairstown	No		N/A	N/A
Henry	City of Deepwater	Yes	February 23, 2023	No	N/A
	Village of Tightwad	No		N/A	N/A
	City of Cross Timbers	No		N/A	N/A
Hickory	Village of Preston	Yes	March 15, 2023	N/A	N/A
	City of Forest City	Yes	June 28, 2023	No	N/A
Holt	Village of Fortescue	Yes	June 7, 2023	N/A	N/A
	City of Armstrong	Yes	June 30, 2023	N/A	N/A
Howard	City of Brandsville	Yes	April 13, 2023	N/A	N/A
	City of West Plains	Yes	June 29, 2023	Yes	Yes
Howell	City of Willow Springs	No		Yes	Yes
	City of Annapolis	Yes	January 6, 2023	Yes	N/A
	Village of Des Arc	No		N/A	N/A
Jackson	City of Grain Valley	Yes	June 26, 2023	No	No
	City of Lake Lotawana	No		Yes	N/A
	City of Levasy	Yes	June 13, 2023	N/A	N/A
Jasper	City of Oak Grove	Yes	June 22, 2023	Yes	Yes
	Town of Unity Village	Yes	April 12, 2023	N/A	N/A
	Village of River Bend	Yes	March 14, 2023	N/A	N/A
	Village of Sibley	Yes	June 6, 2023	N/A	N/A
	City of Carytown	Yes	February 13, 2023	N/A	N/A
	City of Duenweg	Yes	June 30, 2023	No	No
	City of Jasper	Yes	April 5, 2023	Yes	N/A
	City of Purcell	Yes	May 26, 2023	Yes	N/A



Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual		Filed	Filed
		Financial	Date Financial	Addendum	Certification
		Report	Report Filed		
Jasper	City of Sarcoxie	Yes	June 20, 2023	No	N/A
	Village of Airport Drive	Yes	March 24, 2023	Yes	N/A
	Village of Avilla	No		N/A	N/A
	Village of Fidelity	No		N/A	N/A
	Village of Reeds	No		N/A	N/A
Jefferson	City of Kimmswick	No		N/A	N/A
	City of Pevely	Yes	June 6, 2023	Yes	Yes
	Village of Cedar Hill Lakes	Yes	February 7, 2023	N/A	N/A
	Village of Lake Tekakwitha	No		N/A	N/A
	Village of Parkdale	Yes	March 20, 2023	N/A	N/A
Johnson	Village of Peaceful Village	No		N/A	N/A
	City of Centerview	Yes	April 25, 2023	Yes	N/A
	City of Chilhowee	Yes	June 30, 2023	No	N/A
	City of Kingsville	No		No	N/A
	City of Knob Noster	Yes	January 9, 2023	No	No
Knox	City of Leeton	Yes	June 29, 2023	Yes	N/A
	City of Baring	No		N/A	N/A
	City of Edina	Yes	April 18, 2023	No	N/A
	City of Knox City	Yes	June 26, 2023	N/A	N/A
	Village of Newark	No		N/A	N/A
Laclede	Village of Novelty	Yes	June 27, 2023	No	N/A
	Village of Phillipsburg	Yes	February 15, 2023	N/A	N/A
Lafayette	City of Bates City	Yes	June 23, 2023	Yes	Yes
	City of Aurora	Yes	April 26, 2023	No	No
	City of Halltown	No		N/A	N/A
	City of Marionville	Yes	June 26, 2023	Yes	Yes
	City of Mount Vernon	Yes	May 2, 2023	Yes	Yes
Lawrence	City of Stotts City	Yes	February 20, 2023	No	N/A
	Village of Freistatt	No		No	N/A
	Village of Hoberg	No		N/A	N/A
	Village of East Fenway	Yes	March 11, 2023	N/A	N/A
	City of Elsberry	No		No	No
Lincoln	City of Foley	Yes	January 7, 2023	No	N/A
	City of Hawk Point	No		No	Yes
	City of Moscow Mills	Yes	March 8, 2023	Yes	Yes
	City of Old Monroe	Yes	March 14, 2023	Yes	N/A
	City of Silex	No		No	N/A
Lewis	City of Winfield	No		No	N/A
	Village of Fountain 'N Lakes	No		No	N/A
	Village of Whiteside	Yes	March 13, 2023	N/A	N/A
	City of Browning	No		No	N/A
	City of Bucklin	No		No	N/A
Linn	City of Laclede	No		No	N/A
	City of Linneus	Yes	January 9, 2023	N/A	N/A
	City of Meadville	Yes	May 8, 2023	N/A	N/A
	City of Wheeling	No		N/A	N/A
	Village of Ludlow	No		N/A	N/A
Livingston	Village of Utica	No		N/A	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Macon	City of Elmer	Yes	June 30, 2023	N/A	N/A
	City of Ethel	Yes	June 1, 2023	N/A	N/A
	City of Macon	Yes	June 23, 2023	Yes	N/A
	City of New Cambria	Yes	June 28, 2023	N/A	N/A
	Village of South Gifford	Yes	May 19, 2023	Yes	N/A
Madison	City of Marquand	No		No	N/A
	Village of Junction City	No		N/A	N/A
McDonald	City of Goodman	No		No	Yes
	City of Lanagan	No		No	Yes
	City of Noel	Yes	February 10, 2023	No	No
	City of Pineville	Yes	June 28, 2023	Yes	Yes
	City of Southwest City	Yes	June 29, 2023	No	Yes
	Town of Jane	No		N/A	N/A
	Village of Ginger Blue	Yes	January 30, 2023	N/A	N/A
	Village of South Lineville	No		N/A	N/A
Mercer	City of Eldon	Yes	June 12, 2023	Yes	N/A
Miller	City of Lake Ozark	Yes	June 1, 2023	Yes	Yes
	Village of St. Elizabeth	Yes	May 1, 2023	N/A	N/A
	Village of Tuscumbia	Yes	May 12, 2023	N/A	N/A
	City of Anniston	No		No	N/A
Mississippi	City of Wyatt	Yes	June 7, 2023	N/A	N/A
	Village of Pinhook	Yes	March 27, 2023	N/A	N/A
	City of Jamestown	Yes	June 28, 2023	No	N/A
Moniteau	City of Lupus	Yes	June 28, 2023	N/A	N/A
	Village of Holliday	Yes	January 17, 2023	N/A	N/A
Monroe	Village of Stoutsville	Yes	May 31, 2023	N/A	N/A
Montgomery	City of Bellflower	Yes	February 27, 2023	Yes	N/A
	City of High Hill	No		No	N/A
Morgan	City of Barnett	Yes	June 8, 2023	N/A	N/A
	City of Laurie	Yes	June 29, 2023	No	N/A
	City of Syracuse	Yes	April 12, 2023	N/A	N/A
	City of Versailles	Yes	February 23, 2023	Yes	Yes
New Madrid	City of Canalou	No		No	N/A
	City of Marston	Yes	June 30, 2023	No	Yes
	City of Matthews	No		No	Yes
	City of Morehouse	Yes	January 31, 2023	Yes	N/A
	City of New Madrid	No		Yes	N/A
Newton	Village of Tallapoosa	No		N/A	N/A
	City of Fairview	No		No	N/A
	City of Seneca	Yes	June 19, 2023	Yes	No
	Town of Loma Linda	Yes	May 15, 2023	N/A	N/A
	Village of Cliff Village	Yes	June 20, 2023	N/A	N/A
	Village of Leawood	Yes	January 22, 2023	N/A	N/A
	Village of Newtonia	Yes	June 22, 2023	N/A	N/A
	Village of Redings Mill	Yes	January 22, 2023	N/A	N/A
	Village of Ritchey	Yes	January 31, 2023	N/A	N/A
	Village of Shoal Creek Drive	No		N/A	N/A
	Village of Shoal Creek Estates	No		N/A	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual	Date Financial Report Filed	Filed Addendum	Filed Certification
		Financial Report			
Nodaway	City of Clearmont	Yes	June 1, 2023	Yes	N/A
	City of Conception Junction	No		No	N/A
	City of Graham	Yes	June 30, 2023	No	N/A
	City of Hopkins	No		No	N/A
	City of Parnell	No		Yes	N/A
	City of Pickering	Yes	February 14, 2023	Yes	N/A
	Village of Clyde	Yes	February 10, 2023	Yes	N/A
	Village of Guilford	No		No	N/A
Osage	Village of Argyle	No		N/A	N/A
Pemiscot	City of Bragg City	No		N/A	N/A
	City of Holland	No		N/A	N/A
	City of Homestown	Yes	May 31, 2023	N/A	N/A
	City of Pascola	No		N/A	N/A
	Village of Wardell	No		N/A	N/A
Perry	Village of Longtown	Yes	June 22, 2023	N/A	N/A
Pettis	City of Houstonia	No		No	N/A
	Village of Hughesville	No		No	N/A
Phelps	City of Edgar Springs	No		No	N/A
Pike	City of Curryville	Yes	April 20, 2023	N/A	N/A
	Town of Paynesville	Yes	February 13, 2023	N/A	N/A
	Village of Annada	Yes	March 22, 2023	N/A	N/A
Platte	City of Camden Point	Yes	May 3, 2023	No	N/A
	City of Dearborn	Yes	June 23, 2023	No	N/A
	City of Edgerton	Yes	March 10, 2023	Yes	N/A
	City of Lake Waukomis	No		No	N/A
	City of Parkville	No		No	Yes
	City of Tracy	No		No	N/A
	City of Weatherby Lake	Yes	May 16, 2023	Yes	Yes
	City of Weston	No		No	No
	Town of Ridgely	Yes	March 8, 2023	N/A	N/A
	Village of Farley	Yes	February 1, 2023	N/A	N/A
	Village of Ferrelview	Yes	June 23, 2023	Yes	N/A
	Village of Iatan	No		N/A	N/A
Polk	City of Bolivar	Yes	June 23, 2023	Yes	Yes
	City of Fair Play	Yes	June 13, 2023	No	N/A
	City of Humansville	No		No	No
	City of Pleasant Hope	Yes	June 1, 2023	Yes	N/A
	Village of Halfway	Yes	May 16, 2023	N/A	N/A
Pulaski	City of Richland	Yes	June 29, 2023	Yes	N/A
	City of St. Robert	Yes	June 30, 2023	Yes	Yes
	City of Waynesville	Yes	June 30, 2023	Yes	Yes
Putnam	Village of Powersville	Yes	June 23, 2023	N/A	N/A
	Village of Worthington	Yes	June 2, 2023	N/A	N/A
Ralls	City of Center	Yes	June 14, 2023	Yes	N/A
Randolph	Village of Cairo	No		N/A	N/A
Ray	City of Camden	Yes	June 29, 2023	Yes	No
	City of Crystal Lakes	Yes	June 29, 2023	Yes	No
	City of Excelsior Estates	No		N/A	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual		Filed	Filed
		Financial	Date Financial		
		Report	Report Filed	Addendum	Certification
Ray	City of Fleming	Yes	June 29, 2023	Yes	No
	City of Henrietta	Yes	June 29, 2023	Yes	No
	City of Homestead Village	Yes	June 29, 2023	Yes	N/A
	City of Orrick	Yes	June 1, 2023	Yes	N/A
Reynolds	City of Centerville	Yes	June 30, 2023	N/A	N/A
Ripley	City of Naylor	Yes	March 8, 2023	Yes	N/A
Saline	City of Blackburn	Yes	June 8, 2023	Yes	N/A
	City of Emma	Yes	June 30, 2023	No	N/A
	City of Gilliam	Yes	June 26, 2023	No	N/A
	City of Malta Bend	Yes	February 3, 2023	N/A	N/A
Schuyler	City of Miami	No		N/A	N/A
	City of Slater	Yes	March 24, 2023	Yes	N/A
	City of Downing	Yes	June 26, 2023	N/A	N/A
	City of Greentop	Yes	June 28, 2023	No	N/A
	City of Lancaster	Yes	June 30, 2023	No	N/A
	City of Queen City	Yes	June 30, 2023	No	N/A
	Village of Glenwood	No		N/A	N/A
Scott	City of Morley	Yes	June 29, 2023	No	N/A
	Village of Kelso	Yes	June 2, 2023	Yes	N/A
Shannon	City of Birch Tree	No		Yes	N/A
	City of Eminence	Yes	February 1, 2023	No	N/A
	City of Winona	Yes	June 30, 2023	No	N/A
Shelby	City of Shelbyville	Yes	April 25, 2023	Yes	N/A
St. Charles	City of Cottleville	Yes	June 27, 2023	Yes	Yes
	City of Dardenne Prairie	No		No	No
	City of Flint Hill	Yes	January 24, 2023	N/A	N/A
	City of Foristell	Yes	June 27, 2023	Yes	Yes
	City of New Melle	Yes	January 12, 2023	N/A	N/A
	City of O'Fallon	Yes	June 28, 2023	Yes	Yes
	City of St. Charles	No		No	Yes
	City of St. Paul	No		N/A	N/A
	City of Wentzville	No		Yes	Yes
	City of West Alton	Yes	June 14, 2023	N/A	N/A
	Town of Weldon Springs Heights	Yes	May 3, 2023	N/A	N/A
	Village of Josephville	Yes	February 18, 2023	N/A	N/A
	Village of Collins	Yes	May 19, 2023	N/A	N/A
	Village of Roscoe	Yes	January 16, 2023	N/A	N/A
St. Francois	City of Iron Mountain Lake	No		Yes	N/A
St. Louis	City of Ballwin	Yes	June 27, 2023	Yes	Yes
	City of Bel Nor	No		No	No
	City of Bel Ridge	No		Yes	No
	City of Bellerive Acres	Yes	June 12, 2023	Yes	No
	City of Breckenridge Hills	No		No	No
	City of Brentwood	Yes	June 26, 2023	Yes	Yes
	City of Bridgeton	Yes	June 29, 2023	Yes	Yes
	City of Chesterfield	Yes	May 22, 2023	Yes	Yes
	City of Crestwood	Yes	May 25, 2023	Yes	Yes
	City of Crystal Lake Park	Yes	April 6, 2023	Yes	Yes

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
St. Louis	City of Dellwood	No		No	No
	City of Des Peres	Yes	June 12, 2023	Yes	Yes
	City of Ellisville	Yes	June 29, 2023	No	No
	City of Fenton	Yes	June 22, 2023	Yes	Yes
	City of Green Park	No		N/A	N/A
	City of Huntleigh	Yes	March 29, 2023	N/A	N/A
	City of Ladue	Yes	June 27, 2023	Yes	Yes
	City of Lakeshire	Yes	May 31, 2023	Yes	Yes
	City of Manchester	Yes	June 30, 2023	Yes	Yes
	City of Maryland Heights	Yes	June 29, 2023	No	No
	City of Moline Acres	Yes	January 24, 2023	Yes	Yes
	City of Northwoods	No		No	Yes
	City of Shrewsbury	No		No	No
	City of St. Ann	Yes	June 30, 2023	Yes	Yes
	City of St. John	Yes	June 29, 2023	No	No
	City of Sunset Hills	Yes	June 12, 2023	Yes	Yes
	City of Town and Country	Yes	June 30, 2023	Yes	Yes
	City of Twin Oaks	No		No	No
	City of Wilbur Park	Yes	June 29, 2023	N/A	N/A
	City of Wildwood	Yes	June 29, 2023	Yes	No
	Village of Champ	Yes	January 6, 2023	Yes	Yes
	Village of Country Life Acres	Yes	April 27, 2023	N/A	N/A
	Village of Glen Echo Park	Yes	June 29, 2023	Yes	N/A
	Village of Marlborough	No		N/A	N/A
	Village of Riverview	No		No	No
	Village of Westwood	No		No	No
Ste. Genevieve	City of Bloomsdale	Yes	June 28, 2023	N/A	N/A
Stoddard	Village of Pendermon	No		N/A	N/A
Stone	City of Galena	Yes	June 19, 2023	Yes	Yes
	City of Kimberling City	Yes	June 23, 2023	Yes	Yes
	City of Reeds Spring	Yes	June 30, 2023	No	Yes
	Village of Indian Point	Yes	June 28, 2023	Yes	N/A
Sullivan	City of Green Castle	Yes	April 14, 2023	N/A	N/A
	City of Green City	Yes	June 26, 2023	Yes	N/A
	City of Harris	Yes	March 9, 2023	N/A	N/A
	Village of Humphreys	Yes	June 14, 2023	No	N/A
	Village of Newtown	Yes	January 4, 2023	No	N/A
	Village of Osgood	No		N/A	N/A
	Village of Pollock	Yes	June 14, 2023	No	N/A
	City of Branson	Yes	June 16, 2023	Yes	Yes
Taney	City of Merriam Woods	No		No	N/A
	Village of Kirbyville	Yes	May 30, 2023	N/A	N/A
	Village of Taneyville	Yes	June 12, 2023	N/A	N/A
Texas	City of Houston	Yes	June 30, 2023	Yes	Yes
	Village of Plato	Yes	February 9, 2023	N/A	N/A
	Village of Raymondville	Yes	June 21, 2023	N/A	N/A
Vernon	City of Bronaugh	Yes	April 5, 2023	Yes	N/A
	City of Metz	No		N/A	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Vernon	City of Nevada	Yes	June 28, 2023	Yes	Yes
	City of Richards	No		N/A	N/A
	City of Schell City	Yes	June 30, 2023	N/A	N/A
	City of Sheldon	Yes	June 21, 2023	Yes	N/A
	Village of Deerfield	No		N/A	N/A
	Village of Milo	No		N/A	N/A
	Village of Moundville	No		No	N/A
	Village of Stotesbury	No		N/A	N/A
Warren	City of Wright City	Yes	June 28, 2023	Yes	Yes
	Village of Pendleton	Yes	June 15, 2023	N/A	N/A
Washington	Village of Caledonia	No		N/A	N/A
	Village of Mineral Point	Yes	June 26, 2023	N/A	N/A
Wayne	Village of Mill Spring	Yes	January 22, 2023	N/A	N/A
Webster	City of Marshfield	Yes	May 30, 2023	Yes	Yes
	City of Niangua	Yes	February 17, 2023	Yes	N/A
Worth	City of Grant City	No		No	N/A
	City of Sheridan	Yes	March 29, 2023	N/A	N/A
	Village of Allendale	Yes	June 30, 2023	N/A	N/A
	Village of Denver	No		N/A	N/A
	Village of Worth	No		N/A	N/A
Total Filed		269		128	65
Total Not Filed		135		107	30
Total N/A		0		169	309

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Counties Required to File Addendums and Certifications  
Reports Due June 30, 2023

Fiscal Year Ended December 31, 2022

County	Filed Addendum	Filed Certification
Franklin County	No	No
Jackson County	No	No
Jefferson County	Yes	Yes
St. Charles County	Yes	Yes
St. Louis County	Yes	Yes
Total Filed	3	3
Total Not Filed	2	2

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in June 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Crawford	City of Cuba	***	April 5, 2023	***	Yes
Daviess	Village of Altamont	Yes	June 29, 2023	Yes	N/A
Franklin	City of Pacific	***	January 31, 2023	Yes	Yes
Iron	City of Ironton	***	January 26, 2023	Yes	N/A
St. Louis	City of Bellefontaine Neighbors	***	January 26, 2023	Yes	**
Total Filed		1		4	2

\*\* Filed by December 31, 2022.

\*\*\* Filed after December 31, 2022, but before June 2023.

N/A Entities without a municipal judge are not required to file a certification.



Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023  
Filed in June 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Clinton	City of Cameron	***	May 16, 2023	Yes	N/A
St. Francois	City of Bonne Terre	Yes	June 14, 2023	Yes	Yes
	City of Farmington	**	March 29, 2023	Yes	Yes
St. Louis	City of Cool Valley	Yes	June 13, 2023	No	**
Total Filed		2		3	2

\*\* Filed by March 31, 2023.

\*\*\* Filed after March 31, 2023, but before June 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due April 30, 2023  
Filed in June 2023

Fiscal Year Ended October 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Jasper	City of Carterville	**	December 21, 2022	**	Yes
Total Filed		0		0	1

\*\* Filed by April 30, 2023.



# Scott Fitzpatrick

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## Missouri State Auditor

City of St. Louis

Office of Recorder of Deeds  
and Vital Records Registrar

Report No. 2023-035

August 2023

[auditor.mo.gov](https://auditor.mo.gov)



# CITIZENS SUMMARY

## Findings in the audit of the City of St. Louis - Office of Recorder of Deeds and Vital Records Registrar

Payroll Policies and Procedures	The payroll policies of the Recorder of Deeds and Vital Records Registrar (Recorder) do not include key safeguards, and supervisory reviews did not identify payroll inaccuracies.
Escrow Liability Reconciliations	The Recorder does not reconcile the records of escrow money held by the office to the city's general ledger records or balances and, as a result, errors and other unidentified differences remained undetected and city liabilities are understated by \$30,483.

In the areas audited, the overall performance of this entity was **Good**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# City of St. Louis

## Office of Recorder of Deeds and Vital Records Registrar

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## SCOTT FITZPATRICK

### MISSOURI STATE AUDITOR

Honorable Michael Butler, Recorder of Deeds and Vital Records Registrar  
City of St. Louis, Missouri

We have audited certain operations of the City of St. Louis Office of Recorder of Deeds and Vital Records Registrar in fulfillment of our duties under Section 29.200.3, RSMo. The State Auditor initiated audits of the City of St. Louis in response to a formal request from the Board of Aldermen. The city engaged KPMG LLP, Certified Public Accountants (CPAs), to audit the city's financial statements for the year ended June 30, 2021. To minimize duplication of effort, we reviewed the CPA firm's report for the year ended June 30, 2021, since the June 30, 2022, audit had not been completed. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2022. The objectives of our audit were to:

1. Evaluate the office's internal controls over significant management and financial functions.
2. Evaluate the office's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the office, as well as certain external parties; and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the office's management and was not subjected to the procedures applied in our audit of the office.

For the areas audited, we identified (1) deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of the City of St. Louis Office of Recorder of Deeds and Vital Records Registrar.

Additional audits of various officials and departments of the City of St. Louis are in process, and any additional findings and recommendations will be included in subsequent reports.

A handwritten signature in black ink, reading "S. Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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City of St. Louis  
Office of Recorder of Deeds and Vital Records Registrar  
Management Advisory Report - State Auditor's Findings

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**1. Payroll Policies  
and Procedures**

The payroll policies of the Recorder of Deeds and Vital Records Registrar (Recorder) do not include key safeguards, and supervisory reviews did not identify payroll inaccuracies. Payroll expenses were approximately \$1.2 million for the fiscal year ended June 30, 2022.

Payroll policies are  
inadequate

Procedures have not been established to require employees to sign their timecards to attest to hours worked or leave used, salaried employees are not required to complete leave requests, hourly employees are not required to sign leave requests, and supervisors are not required to document their review and approval of employee payroll information. In addition, procedures have not been established to review and verify employee time entered into the timekeeping system.

Office personnel indicated personnel policies have been in place for many years, and they had not considered adding these additional requirements into existing policies.

Supervisory reviews have  
not detected errors

Employee time information, including employee leave requests, is entered into the payroll system by the employee. This information is then reviewed by the Human Resource Manager for accuracy. For leave requests, office policy requires the employee's supervisor or appointing authority to review and approve employee leave request forms prior to processing the forms. Reviews performed did not always detect errors between employee timecards and the data entered into the payroll system.

During our review of employee timecards for the pay period May 22, 2022, through June 4, 2022, we noted 1 employee's leave used did not agree to the type of leave requested or the amount on the employee's timecard. A leave request for June 1, 2022, was submitted for 3 hours compensatory time. However, the leave time was recorded as 4 hours of medical leave on the employee's timecard, and was recorded as 4 hours of compensatory time on the accrual leave balance report. As a result, the compensatory time balance remaining should have been 4.5 hours; however, the balance recorded on the leave balance report was 3.5 hours. Office personnel indicated this was an oversight.

Strengthening existing payroll policies and ensuring supervisory reviews of payroll records are completed would provide additional assurance employee compensation and leave records are accurate. In addition, Fair Labor Standards Act (FLSA) regulation Section 29 CFR Section 516.2(a) requires employers to maintain accurate records of actual time worked by employees.





City of St. Louis  
Office of Recorder of Deeds and Vital Records Registrar  
Management Advisory Report - State Auditor's Findings

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## Recommendation

The Recorder of Deeds and Vital Records Registrar establish procedures to ensure signed timecards and leave requests are completed by all employees and are reviewed and approved by a supervisor.

## Auditee's Response

*The Recorder of Deeds and Vital Records Registrar's written response indicates the office partially agrees with the recommendation. The office's full response is included at Appendix A.*

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## 2. Escrow Liability Reconciliations

The Recorder does not reconcile the records of escrow money held by the office to the city's general ledger records or balances and, as a result, errors and other unidentified differences remained undetected and city liabilities are understated by \$30,483.

Title companies, banks, and other customers may establish escrow (prepaid) accounts with the Recorder's office. Deposits, uses, and escrow account balances are documented in the Recorder's cashier software. Deposits received by the Recorder are transmitted to the City Treasurer daily and are recorded in the city's General Fund as a liability in the Title Fee Deposits Account. At the end of each month, the Recorder provides journal entry instructions to the City Comptroller to reduce the Title Fee Deposits Account for amounts used by the customers during the month. The journal entry reduces the city's liability account balance and increases revenues. Deposits and uses by participating customers totaled approximately \$2,970,000 and \$2,903,000; respectively, for the year ended June 30, 2022.

The City Comptroller's records show the escrow liability balance as of June 30, 2022, was \$196,267, while the actual balance of escrow funds held by the City Treasurer was \$226,750, resulting in a difference of \$30,483. As a result, the City Comptroller's records of account for the escrow liability and the city's liability on its financial statements are understated.

Monthly reconciliations between the Recorder's escrow account balances and the city's liability records are necessary to ensure deposit amounts are properly recorded and are sufficient to meet liabilities. Any discrepancies should be promptly investigated and resolved.

### Similar condition previously reported

The Recorder indicated the office was unaware the balance for the escrow accounts should be reconciled monthly to the Comptroller's liability balance; however, a similar condition was noted in our 2 prior audit reports. In addition, in the *Follow-Up Report on Audit Findings City of St. Louis - Recorder of Deeds and Vital Records Registrar*, Report No. 2016-095, released in September 2016, officials indicated the previous recommendation was in progress; however, we found the corrective action was not consistently applied and discrepancies continue to exist.



City of St. Louis  
Office of Recorder of Deeds and Vital Records Registrar  
Management Advisory Report - State Auditor's Findings

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**Recommendation**

The Recorder of Deeds and Vital Records Registrar develop policies and procedures to reconcile escrow account balances to the city's liability records monthly. Any differences should be investigated and resolved.

**Auditee's Response**

*The Recorder of Deeds and Vital Records Registrar's written response indicates the office partially agrees with the recommendation. The office's full response is included at Appendix A.*

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# City of St. Louis - Office of Recorder of Deeds and Vital Records Registrar

## Organization and Statistical Information

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The City of St. Louis Office of Recorder of Deeds and Vital Records Registrar is an elected statutory county office. Missouri statutes and city ordinances define the office's duties. The duties of the office include preserving and providing public access to public records affecting title to real estate and issuance of marriage licenses; administering the State of Missouri vital records registry office for birth and death records for the City of St. Louis; maintaining and assisting users with access to archive data dating between 1765 and the present; and other legal matters.

Michael Butler currently serves as the Recorder of Deeds and Vital Records Registrar for the City of St. Louis. He was first elected to this position in November 2018 and was re-elected in November 2022. His current term expires January 1, 2027.

The office employed 37 employees as of June 30, 2022.



Appendix  
City of St. Louis - Office of Recorder of Deeds and Vital Records Registrar  
Response to Audit Recommendations



**Michael Butler**  
**Recorder of Deeds**  
**City of Saint Louis**  
[www.stlouiscityrecorder.org](http://www.stlouiscityrecorder.org)

City Hall, Room 126  
1200 Market Street  
Saint Louis, MO 63103  
314.622.4610  
[info@stlouiscityrecorder.org](mailto:info@stlouiscityrecorder.org)



July 19, 2023

Honorable Scott Fitzpatrick  
Missouri State Auditor  
301 West High Street, Room 880  
Jefferson City, Missouri 65012

We have reviewed the findings from your office's audit of the City of St. Louis Office of Recorder of Deeds and Vital Records Registrar. Below you will find our responses to the audit findings.

- 1. The Recorder of Deeds and Vital Records Registrar (Recorder) establish procedures to ensure signed timecards and leave requests are completed by all employees and are reviewed and approved by a supervisor.**

*Recorder's Response: I partially agree with this finding. Our response is as follows:*

**#1 Payroll Policies and Procedures**

The Recorder's office does have established detailed policies for all operations including personnel policies. The Auditor's review of the Recorder's payroll system cited findings regarding this office's then primary payroll system which included a redundant process of paper and electronic system for accrual/leave tracking. The issues raised were because the then payroll system, NOVAtime, was not designed with an employee signoff function however, this office's internal procedures did require employees to call in medical (sick) absences to their immediate supervisors who then prepared and submitted leave slips to the Human Resources Manager on the employee's behalf which were not signed by the employee. Those forms are then entered into the payroll system by Human Resources Personnel. All employees had access to their individual NOVAtime payroll accounts, including accruals and were at liberty to bring any concerns to either their direct supervisor or HR. This system has been in place since 2010 and has weathered two previous Missouri State Auditor audits with no similar audit findings or suggestions.

This office is not aware of any unaddressed employee concerns about incorrect entries into the timekeeping system.

During the time of the audit, the City of St. Louis commissioned and implemented a new citywide payroll system which requires all city employee's personal signoffs as noted in the audit. Therefore, this item has been addressed.



## Appendix

### City of St. Louis - Office of Recorder of Deeds and Vital Records Registrar Response to Audit Recommendations

2. **The Recorder develop policies and procedures to reconcile escrow account balances to the city's liability records monthly. Any differences should be investigated and resolved.**

*Recorder's Response: I partially agree with this finding. Our response is as follows:*

#### **#2 Escrow Liability Reconciliations**

As noted in the Auditor's report, this is a continuing issue however, all funds in the care of the Recorder were meticulously accounted for and there were no irregularities relating to the fiscal accounting of those accounts. This Recorder's administration, as well as the past administration, has sought the assistance of the St. Louis City Comptroller to create a permanent resolution. The City of St. Louis has recently implemented a new accounting system, ORACLE, which once fully implemented will improve the ability to reconcile these accounts. This effort will require a collaborative effort including the Comptroller's and the St. Louis City Treasurer's office. Toward that goal, the Recorder has also recently enhanced internal staff capabilities with the addition of personnel with accounting backgrounds and capabilities plus employing the services of an external accounting service.

Please note that this office is thoroughly committed to fully incorporate your findings and suggestions. Thank you for bringing these issues to our attention.

We also want to acknowledge the professionalism and abilities of your audit staff. Their communications and patience were appreciated by all in the Recorder's Office.

Sincerely,

Michael Butler  
St. Louis Recorder of Deeds.

CC: Wayne Kauffman  
Steven Re





# Scott Fitzpatrick

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Missouri State Auditor

Wentzville Parkway  
Transportation Development District

Report No. 2023-034

August 2023

[auditor.mo.gov](https://auditor.mo.gov)



# CITIZENS SUMMARY

## Findings in the audit of the Wentzville Parkway Transportation Development District

### Background

The Wentzville Parkway Transportation Development District (TDD) was formed in March 2005 for the purpose of improving Wentzville Parkway, North Road, the North Road retaining wall, and a North Road extension. The project was completed in April 2006 and the City of Wentzville subsequently accepted ownership of the project.

The Wentzville Parkway TDD projects totaled approximately \$1,899,000. The project was funded by a voter-approved one-half percent sales tax on all taxable transactions within the boundaries of the district. Debt associated with the project was paid off in November 2020 and the Board of Directors approved rescinding the sales tax in December 2020.

The ending cash balance for the Wentzville Parkway TDD as of July 31, 2022, was \$272,801. According to district legal counsel, as of September 2022, the district owed approximately \$26,000 in unpaid legal fees, and could incur an additional \$60,000 in legal fees during the dissolution of the district. After the district's final costs and professional fees are paid, the remaining balance will be distributed to the City of Wentzville in accordance with state law.

### Financial Status

The audit of the Wentzville Parkway TDD indicates the financial condition of the district is such that it may be abolished.

Because of the nature of this audit, no rating is provided.

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# Wentzville Parkway Transportation Development District

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Brent Beumer, Chairman/Executive Director  
and  
Board of Directors  
Wentzville Parkway Transportation Development District  
Wentzville, Missouri

The State Auditor is required under Section 238.275, RSMo, to audit a transportation development district prior to the question of abolishment being submitted to a vote. On July 29, 2022, the Board of Directors of the Wentzville Parkway Transportation Development District approved a resolution of its intent to dissolve the district and request an audit as required by statute. The State Auditor was subsequently notified of this resolution.

The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2021, and the period from January 1 through July 31, 2022. The objectives of our audit were to evaluate the financial status of the district and determine whether it may be abolished pursuant to law.

Our methodology included reviewing financial records and other pertinent documents; interviewing various personnel of the district, as well as certain external parties. We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The audit determined the Board of Directors may proceed with abolishment of the district in accordance with Section 238.275, RSMo.

The accompanying Management Advisory Report presents our findings arising from our audit of the Wentzville Parkway Transportation Development District.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized with a large, flowing "S" and "F".

Scott Fitzpatrick  
State Auditor

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# Wentzville Parkway Transportation Development District Management Advisory Report - State Auditor's Findings

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## **Financial Status**

Our audit of the Wentzville Parkway Transportation Development District (TDD) indicates the financial condition of the district is such that it may be abolished.

The Wentzville Parkway TDD is located in St. Charles County, in the city of Wentzville. The district was organized in March 2005, by petition of the property owner/developer within the proposed TDD. The district consisted of 1 property owner at the time of formation with 3 other entities becoming property owners within the district's boundaries subsequent to the establishment of the district. The members of the Board of Directors and officers consist of 5 representatives of the property owners. The district has a fiscal year end of December 31.

The Wentzville Parkway TDD was formed for the purpose of improving Wentzville Parkway, North Road, the North Road retaining wall, and a North Road extension. The City of Wentzville is the public entity with jurisdiction over the local portion of the project and serves as the Local Transportation Authority. The transportation projects are not intended to be merged into state highways, therefore, the Missouri Highways and Transportation Commission has no direct interest in the TDD. The project was completed in April 2006, and the City of Wentzville subsequently accepted ownership of the project. The Wentzville Parkway TDD projects totaled approximately \$1,899,000.

In 2005, the qualified voters of the district approved a 1/2-cent (0.5 percent) sales tax on all taxable transactions within the boundaries of the district. The Board of Directors subsequently passed a resolution formally establishing that sales tax rate to remain in effect until district obligations had been paid in full.

In 2005, the Wentzville Parkway TDD set up a line of credit with a maximum limit of \$3,500,000 from First Bank to fund district project costs. The district's project costs totaled approximately \$1,899,000. The Wentzville Parkway TDD satisfied this debt in November 2020. The Board approved rescinding the sales tax in December 2020, and notified the Department of Revenue to stop collecting the district's tax in June 2021. Sales tax collection expired September 30, 2021.

From the district's inception in 2005, through December 31, 2021, the Wentzville Parkway TDD received \$2,612,685 in sales tax revenues and paid \$2,503,586 in principal and interest. See the subsequent table for district financial activity for the 17 years ended December 31, 2021, and the period January 1, 2022, through July 31, 2022.

In June 2021, the Wentzville Parkway TDD Board formalized its intent to dissolve the district. The district subsequently advised the State Auditor's Office (SAO) of this resolution in July 2022 and requested the SAO proceed



## Wentzville Parkway Transportation Development District Management Advisory Report - State Auditor's Findings

with all necessary actions as required pursuant to Section 238.275, RSMo. That statute requires the State Auditor to audit the district to determine its financial status, and determine whether it may be abolished pursuant to law. It also states the board shall not propose the question to abolish the district while there are outstanding claims or causes of action pending against it; if its liabilities exceed its assets; or while the district is insolvent, in receivership, or under the jurisdiction of a bankruptcy court.

The following table presents the financial activity and cash balances for the 17 years ended December 31, 2021, and the period January 1, 2022, through July 31, 2022.

	January 1, 2022 through July 31, 2022	17 Years Ended December 31, 2021
<b>RECEIPTS</b>		
Sales Tax	\$ 0	2,612,685
Developer Note Proceeds	0	180,350
Loan Proceeds	0	725,803
Interest	24	1,298
Total Receipts	24	3,520,136
<b>DISBURSEMENTS</b>		
Debt Service	0	2,503,589
Capital Outlay	0	440,757
Maintenance and Utilities	1,400	201,209
Administration	4,743	95,661
Total Disbursements	6,143	3,241,216
RECEIPTS OVER (UNDER)	(6,119)	278,920
<b>DISBURSEMENTS</b>		
BEGINNING CASH	278,920	0
ENDING CASH	\$ 272,801	278,920

Source: Compiled by the SAO using the district's bank statements and financial statements.

Based on our audit, the cash balance of the Wentzville Parkway TDD as of July 31, 2022, was \$272,801. According to district legal counsel, as of September 2022, the district owed approximately \$26,000 in unpaid legal fees, and may incur an additional \$60,000 in legal fees during the dissolution of the district. There are no pending, threatened, or unasserted claims or assessments against the district according to district legal counsel. District officials confirmed the district is not insolvent, in receivership, or under the jurisdiction of a bankruptcy court. Based on these representations, district assets are sufficient to pay any remaining costs and obligations. After the district's final costs and professional fees are paid, the remaining balance will



## Wentzville Parkway Transportation Development District Management Advisory Report - State Auditor's Findings

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be distributed to the City of Wentzville in accordance with Section 238.275.5(1), RSMo.

Based on our audit, the Board of Directors may proceed with the abolishment of the district in accordance with Section 238.275, RSMo.



# Scott Fitzpatrick

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## Missouri State Auditor

Office of State Treasurer  
Period July 1, 2022 through January 9, 2023

Report No. 2023-033

August 2023

[auditor.mo.gov](https://auditor.mo.gov)



# CITIZENS SUMMARY

## Findings in the closeout audit of the Office of State Treasurer

### Background

The Office of State Treasurer is an elective office as provided in the Missouri Constitution. The duties of the State Treasurer as defined by Article IV, Section 15 are to be the custodian of all state funds; to determine the amount of state monies not needed for current operating expenses; and to invest such monies in interest-bearing time deposits at Missouri banking institutions selected by the State Treasurer and approved by the Governor and State Auditor, short-term U.S. government securities or certain allowable commercial paper and banker's acceptances.

The Office of State Treasurer operates in four major functional areas (1) accounting and banking services, (2) general and administrative services, (3) investments and deposit programs, and (4) unclaimed property.

On January 14, 2019, Scott Fitzpatrick was sworn in as the forty-seventh Treasurer of the state of Missouri. He was elected to a full term on November 3, 2020, and served in this role until January 9, 2023, when he was sworn in as Missouri's thirty-ninth State Auditor. His term as State Treasurer was to expire in January 2025. Governor Michael L. Parson appointed Vivek Malek as State Treasurer and he was sworn in on January 17, 2023. From January 9, 2023, until January 17, 2023, Leslie Korte served as Assistant State Treasurer.

### Findings

The audit identified no significant deficiencies in internal controls, no significant noncompliance with legal provisions, and no significant deficiencies in management practices and procedures. No findings resulted from this audit.

In the areas audited, the overall performance of this entity was **Excellent**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Office of State Treasurer

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## SCOTT FITZPATRICK

### MISSOURI STATE AUDITOR

Honorable Vivek Malek, State Treasurer  
Jefferson City, Missouri

Due to his role as State Treasurer during the period under audit, the State Auditor recused himself from participation in this audit. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff. We have audited certain operations of the Office of State Treasurer, in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the period of July 1, 2022, through January 9, 2023. The objectives of our audit were to:

1. Evaluate the office's internal controls over significant management and financial functions.
2. Evaluate the office's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

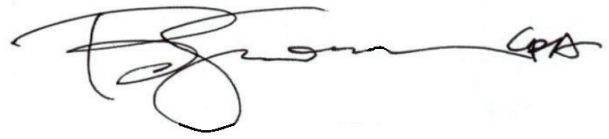
Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the office; and testing selected transactions. We reviewed certain disbursement, payroll, and capital asset transactions; cash and investment activity; and the elected official's calendar. We also performed sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the office's management and was not subjected to the procedures applied in our audit of the office.



For the areas audited, we identified (1) no significant deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) no significant deficiencies in management practices and procedures. No findings resulted from our audit of the Office of State Treasurer.

A handwritten signature in black ink, appearing to read "R. Showers CPA". The signature is fluid and cursive, with the letters "CPA" written more clearly at the end.

Robert E. Showers, CPA, CGAP  
Director of Audits

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# Office of State Treasurer

## Organization and Statistical Information

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The Office of State Treasurer is an elective office as provided in the Missouri Constitution. The duties of the State Treasurer as defined by Article IV, Section 15 are to be the custodian of all state funds; to determine the amount of state money not needed for current operating expenses; and to invest such money in interest-bearing time deposits at Missouri banking institutions selected by the State Treasurer and approved by the Governor and State Auditor, short-term U.S. government securities, or certain allowable commercial paper and banker's acceptances.

The Office of State Treasurer operates in four major functional areas (1) accounting and banking services, (2) general and administrative services, (3) investments and deposit programs, and (4) unclaimed property.

The accounting and banking services area (1) maintains a fund accounting system to fulfill a statutory responsibility to keep separate accounts of the funds of the state and to allocate investment interest to funds, (2) maintains ledger controls on fund balances and appropriations to assure that no check is issued that exceeds the lawful appropriated balances, (3) controls receipt of state money collected by state agencies and deposited in local banks throughout the state, (4) reconciles bank activity to receipt and disbursement activity reflected on the state books, (5) determines the amount of state money not needed for current operating expenses, and (6) confirms daily disbursements with the bank as certified by the Office of Administration.

The general and administrative services area provides processing support to other areas of the office by (1) operating the central check mail service, (2) controlling and processing outlawed and replacement checks, and (3) processing invoices for office expenditures.

The investments area places state money not needed for current operating expenses in interest-bearing time deposits, U.S. government and agency securities, commercial paper, banker's acceptances, and repurchase agreements. This area also administers the State Treasurer's statutory linked deposit program and monitors and accounts for the collateralization of state funds.

The Unclaimed Property Division administers Missouri's Unclaimed Property Act (Chapter 447, RSMo). The Unclaimed Property Division is responsible for (1) ensuring unclaimed property is reported, (2) receiving and recording reports of unclaimed property, (3) depositing unclaimed funds to the Abandoned Fund Account Fund, (4) maintaining custody and safekeeping of abandoned or unclaimed physical property, and (5) processing owner claims for abandoned funds or physical property.

Governor Michael L. Parson appointed Scott Fitzpatrick as the forty-seventh State Treasurer, and he was sworn in on January 14, 2019. He served in this



## Office of State Treasurer Organization and Statistical Information

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role until January 9, 2023, when he was sworn in as Missouri's thirty-ninth State Auditor. His term as State Treasurer was to expire in January 2025. Governor Michael L. Parson appointed Vivek Malek as State Treasurer and he was sworn in on January 17, 2023. From January 9, 2023, until January 17, 2023, Leslie Korte served as Assistant State Treasurer.

## Financial Activity

A summary of the office's operating financial activity is presented in the following Appendix.

## Appendix

### Office of State Treasurer Statement of Appropriations and Expenditures Period July 1, 2022 to January 9, 2023

	Appropriation Authority	Expenditures	Encumbered	Uncommitted Appropriations
GENERAL REVENUE FUND				
Issuing duplicate/outlawed checks	\$ 13,000,000	4,622,850	0	8,377,150
Refunds of excess interest from the linked deposit program	2,500	0	0	2,500
Total General Revenue Fund	13,002,500	4,622,850	0	8,379,650
STATE TREASURER'S GENERAL OPERATIONS FUND				
Personal service	2,061,717	995,954	87,389	978,374
Expense and equipment	856,195	297,281	14,133	544,781
Operation of state-owned facilities, utilities, systems, furniture, and structural modifications - expense and equipment	208,203	104,634	100,739	2,830
Total State Treasurer's General Operations Fund	3,126,115	1,397,869	202,261	1,525,985
TREASURER'S INFORMATION FUND				
Preparation and dissemination of information or publications, or for refunding overpayments	8,000	235	0	7,765
Total Treasurer's Information Fund	8,000	235	0	7,765
MISSOURI EMPOWERMENT SCHOLARSHIP ACCOUNTS FUND				
Personal service	190,975	49,764	4,185	137,026
Expense and equipment	821,924	276,545	0	545,379
Total Missouri Empowerment Scholarship Accounts Fund	1,012,899	326,309	4,185	682,405
CENTRAL CHECK MAILING SERVICE REVOLVING FUND				
Personal service	14,112	7,826	559	5,727
Expense and equipment	100,000	17,425	0	82,575
Total Central Check Mailing Service Revolving Fund	114,112	25,251	559	88,302
ABANDONED FUND ACCOUNT FUND				
Personal service	729,613	353,702	23,789	352,122
Expense and equipment	123,600	11,130	789	111,681
Advertising and auctions	1,450,000	273,784	13,645	1,162,571
Payment of claims for abandoned property transferred by holders to the state	58,000,000	23,996,456	0	34,003,544
Total Abandoned Fund Account Fund	60,303,213	24,635,072	38,223	35,629,918
Total All Funds	\$ 77,566,839	31,007,586	245,228	46,314,025



# Scott Fitzpatrick

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## Missouri State Auditor

### Office of State Treasurer

Report No. 2023-032

August 2023

[auditor.mo.gov](http://auditor.mo.gov)



# CITIZENS SUMMARY

## Findings in the audit of the Office of State Treasurer

### Background

The Office of State Treasurer is an elective office as provided in the Missouri Constitution. The duties of the State Treasurer as defined by Article IV, Section 15 are to be the custodian of all state funds; to determine the amount of state monies not needed for current operating expenses; and to invest such monies in interest-bearing time deposits at Missouri banking institutions selected by the State Treasurer and approved by the Governor and State Auditor, short-term U.S. government securities or certain allowable commercial paper and banker's acceptances.

The Office of State Treasurer operates in four major functional areas (1) accounting and banking services, (2) general and administrative services, (3) investments and deposit programs, and (4) unclaimed property.

Governor Michael L. Parson appointed Scott Fitzpatrick as the forty-seventh State Treasurer, and he was sworn in on January 14, 2019. He was elected to a full term on November 3, 2020, and served in this role until January 9, 2023, when he was sworn in as Missouri's thirty-ninth Auditor. His term as State Treasurer was to expire in January 2025. Governor Michael L. Parson appointed Vivek Malek as State Treasurer and he was sworn in on January 17, 2023. From January 9, 2023, until January 17, 2023, Leslie Korte served as Assistant State Treasurer.

### Findings

The audit identified no significant deficiencies in internal controls, no significant noncompliance with legal provisions, and no significant deficiencies in management practices and procedures. No findings resulted from this audit.

In the areas audited, the overall performance of this entity was **Excellent**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Office of State Treasurer

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## SCOTT FITZPATRICK

### MISSOURI STATE AUDITOR

Honorable Vivek Malek, State Treasurer  
Jefferson City, Missouri

Due to his role as State Treasurer during the period under audit, the State Auditor recused himself from participation in this audit. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff. We have audited certain operations of the Office of State Treasurer, in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2022. The objectives of our audit were to:

1. Evaluate the office's internal controls over significant management and financial functions.
2. Evaluate the office's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

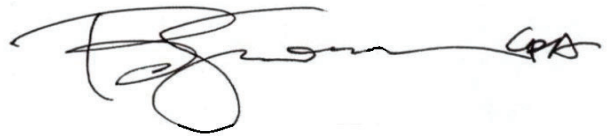
Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the office, as well as certain external parties; and testing selected transactions. We reviewed receipt, disbursement, and payroll transactions, and cash and investment activity; and performed sample testing of some of these areas using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the office's management and was not subjected to the procedures applied in our audit of the office.



For the areas audited, we identified (1) no significant deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) no significant deficiencies in management practices and procedures. No findings resulted from our audit of the Office of State Treasurer.

A handwritten signature in black ink, appearing to read "R. Showers CPA", with a stylized flourish at the end.

Robert E. Showers, CPA, CGAP  
Director of Audits

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# Office of State Treasurer

## Organization and Statistical Information

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The Office of State Treasurer is an elective office as provided in the Missouri Constitution. The duties of the State Treasurer as defined by Article IV, Section 15 are to be the custodian of all state funds; to determine the amount of state money not needed for current operating expenses; and to invest such money in interest-bearing time deposits at Missouri banking institutions selected by the State Treasurer and approved by the Governor and State Auditor, short-term U.S. government securities, or certain allowable commercial paper and banker's acceptances.

The Office of State Treasurer operates in four major functional areas (1) accounting and banking services, (2) general and administrative services, (3) investments and deposit programs, and (4) unclaimed property.

The accounting and banking services area (1) maintains a fund accounting system to fulfill a statutory responsibility to keep separate accounts of the funds of the state and to allocate investment interest to funds, (2) maintains ledger controls on fund balances and appropriations to assure that no check is issued that exceeds the lawful appropriated balances, (3) controls receipt of state money collected by state agencies and deposited in local banks throughout the state, (4) reconciles bank activity to receipt and disbursement activity reflected on the state books, (5) determines the amount of state money not needed for current operating expenses, and (6) confirms daily disbursements with the bank as certified by the Office of Administration.

The general and administrative services area provides processing support to other areas of the office by (1) operating the central check mail service, (2) controlling and processing outlawed and replacement checks, and (3) processing invoices for office expenditures.

The investments area places state money not needed for current operating expenses in interest-bearing time deposits, U.S. government and agency securities, commercial paper, banker's acceptances, and repurchase agreements. This area also administers the State Treasurer's statutory linked deposit program and monitors and accounts for the collateralization of state funds.

The Unclaimed Property Division administers Missouri's Unclaimed Property Act (Chapter 447, RSMo). The Unclaimed Property Division is responsible for (1) ensuring unclaimed property is reported, (2) receiving and recording reports of unclaimed property, (3) depositing unclaimed funds to the Abandoned Fund Account Fund, (4) maintaining custody and safekeeping of abandoned or unclaimed physical property, and (5) processing owner claims for abandoned funds or physical property.

Governor Michael L. Parson appointed Scott Fitzpatrick as the forty-seventh State Treasurer, and he was sworn in on January 14, 2019. He served in this



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## Office of State Treasurer Organization and Statistical Information

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role until January 9, 2023, when he was sworn in as Missouri's thirty-ninth State Auditor. His term as State Treasurer was to expire in January 2025. Governor Michael L. Parson appointed Vivek Malek as State Treasurer and he was sworn in on January 17, 2023. From January 9, 2023, until January 17, 2023, Leslie Korte served as Assistant State Treasurer.

As of June 30, 2022, the office had 41 full-time positions to assist in the accomplishment of its mission.

## Financial Activity

A summary of the office's operating financial activity, cash and investment balances, and investment income is presented in the following Appendixes and in the Notes to the Appendixes.

## Appendix A

### Office of State Treasurer Statement of Receipts, Disbursements, and Changes in Cash and Investments Year Ended June 30, 2022

#### STATE TREASURER'S GENERAL OPERATIONS FUND

Receipts	\$ 4,572,813
Disbursements	<u>2,249,999</u>
Receipts Over (Under) Disbursements	<u>2,322,814</u>
Transfers In <sup>1</sup>	634
Transfers Out <sup>2</sup>	<u>(974,077)</u>
Receipts Over (Under) Disbursements and Transfers	<u>1,349,371</u>
Cash and Investments, July 1	<u>1,510,991</u>
Cash and Investments, June 30	<u><u>\$ 2,860,362</u></u>

#### TREASURER'S INFORMATION FUND

Receipts	\$ 975
Disbursements	<u>165</u>
Receipts Over (Under) Disbursements	<u>810</u>
Transfers In	0
Transfers Out	<u>0</u>
Receipts Over (Under) Disbursements and Transfers	<u>810</u>
Cash and Investments, July 1	<u>3,191</u>
Cash and Investments, June 30	<u><u>\$ 4,001</u></u>

#### MISSOURI EMPOWERMENT SCHOLARSHIP ACCOUNTS FUND

Receipts	\$ 514
Disbursements	<u>36,067</u>
Receipts Over (Under) Disbursements	<u>(35,553)</u>
Transfers In <sup>3</sup>	1,000,000
Transfers Out <sup>2</sup>	<u>(5,572)</u>
Receipts Over (Under) Disbursements and Transfers	<u>958,875</u>
Cash and Investments, July 1	<u>0</u>
Cash and Investments, June 30	<u><u>\$ 958,875</u></u>

#### CENTRAL CHECK MAILING SERVICE REVOLVING FUND

Receipts	\$ 71,843
Disbursements	<u>68,775</u>
Receipts Over (Under) Disbursements	<u>3,068</u>
Transfers In	0
Transfers Out <sup>2</sup>	<u>(8,795)</u>
Receipts Over (Under) Disbursements and Transfers	<u>(5,727)</u>
Cash and Investments, July 1	<u>17,001</u>
Cash and Investments, June 30	<u><u>\$ 11,274</u></u>

## Appendix A

Office of State Treasurer  
Statement of Receipts, Disbursements, and Changes in Cash and Investments  
Year Ended June 30, 2022

### ABANDONED FUND ACCOUNT FUND

Receipts	\$ 114,920,315
Disbursements	<u>48,506,358</u>
Receipts Over (Under) Disbursements	<u>66,413,957</u>
Transfers In <sup>4</sup>	4,408,269
Transfers Out <sup>5</sup>	<u>(62,128,568)</u>
Receipts Over (Under) Disbursements and Transfers	<u>8,693,658</u>
Cash and Investments, July 1	<u>30,659,261</u>
Cash and Investments, June 30	<u><u>\$ 39,352,919</u></u>
 Total Cash and Investments, June 30, All Funds	 <u><u>\$ 43,187,431</u></u>

<sup>1</sup> Transfers In consist of net proceeds received from the sale of surplus property.

<sup>2</sup> Transfers Out generally include payments for fringe benefits and the state's cost allocation plan.

<sup>3</sup> Transfers In consist of funds received to establish the Missouri Empowerment Scholarship Accounts Program.

<sup>4</sup> Transfers In generally include net proceeds received from the sale of surplus property and the receipt of outdated state checks by the Abandoned Fund Account Fund.

<sup>5</sup> Transfers Out generally include payments for fringe benefits, distribution of excess cash balance of the Abandoned Fund Account Fund to the General Revenue Fund and the State Public School Fund, and distribution of certain unclaimed property values to the Mental Health Trust Fund in accordance with state laws.

The accompanying Notes to the Appendixes are an integral part of this statement.

## Appendix B

### Office of State Treasurer Comparative Statement of Appropriations and Expenditures

	Year Ended June 30,					
	2022			2021		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
GENERAL REVENUE FUND						
Issuing duplicate/outlawed checks	\$ 8,000,000	5,210,291	2,789,709	3,000,000	2,973,294	26,706
Refunds of excess interest from the linked deposit program	2,500	30	2,470	2,500	1,289	1,211
Personal service	8,602	0	8,602	0	0	0
Total General Revenue Fund	8,011,102	5,210,321	2,800,781	3,002,500	2,974,583	27,917
STATE TREASURER'S GENERAL OPERATIONS FUND						
Personal service	2,002,015	1,712,632	289,383	1,919,774	1,663,478	256,296
Expense and equipment	856,195	330,777	525,418	856,195	149,156	707,039
Operation of state-owned facilities, utilities, systems furniture, and structural modifications - expense and equipment						
Real Estate personal service	209,989	205,016	4,973	191,765	191,765	0
	1,294	1,294	0	0	0	0
Total State Treasurer's General Operation Fund	3,069,493	2,249,719	819,774	2,967,734	2,004,399	963,335
TREASURER'S INFORMATION FUND						
Preparation and dissemination of information or publications, or for refunding overpayments	8,000	165	7,835	8,000	332	7,668
Total Treasurer's Information Fund	8,000	165	7,835	8,000	332	7,668
MISSOURI EMPOWERMENT SCHOLARSHIP ACCOUNTS FUND						
Personal service	809,025	2,865	806,160	0	0	0
Expense and equipment	190,975	33,202	157,773	0	0	0
Total Missouri Empowerment Scholarship Accounts Fund	1,000,000	36,067	963,933	0	0	0

## Appendix B

### Office of State Treasurer Comparative Statement of Appropriations and Expenditures

	Year Ended June 30,					
	2022			2021		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
CENTRAL CHECK MAILING SERVICE						
REVOLVING FUND						
Personal service	13,245	11,035	2,210	13,114	12,764	350
Expense and equipment	100,000	57,740	42,260	100,000	59,045	40,955
Total Central Check Mailing Service Revolving Fund	113,245	68,775	44,470	113,114	71,809	41,305
ABANDONED FUND ACCOUNT FUND						
Personal service	674,783	584,164	90,619	668,102	586,082	82,020
Expense and equipment	98,600	89,499	9,101	98,600	47,872	50,728
Advertising and auctions	1,475,000	1,421,874	53,126	1,475,000	1,175,542	299,458
Payment of claims for abandoned property transferred by holders to the state	49,000,000	46,412,390	2,587,610	49,000,000	44,603,811	4,396,189
Total Abandoned Fund Account Fund	51,248,383	48,507,927	2,740,456	51,241,702	46,413,307	4,828,395
Total All Funds	\$ 63,450,223	56,072,974	7,377,249	57,333,050	51,464,430	5,868,620

The accompanying Notes to the Appendixes are an integral part of this statement.

# Appendix C

## Office of State Treasurer Comparative Statement of Expenditures (From Appropriations)

	Year Ended June 30,				
	2022	2021	2020	2019	2018
Salaries and wages	\$ 2,341,033	2,262,325	2,248,947	2,175,245	2,178,205
Travel, in-state	1,676	1,008	13,217	8,847	5,840
Travel, out-of-state	5,437	484	8,671	17,625	16,927
Supplies	258,078	236,342	209,143	227,789	235,495
Professional development	26,718	20,883	25,194	27,206	31,318
Communication services and supplies	163,379	122,151	113,161	101,110	116,255
Services:					
Professional	1,239,000	940,372	1,075,546	1,099,114	1,082,089
Housekeeping and janitorial	7,125	1,688	1,980	2,145	1,815
Maintenance and repair	160,454	58,260	84,011	80,621	80,463
Equipment:					
Computer	33,683	50,342	10,610	83,644	28,767
Motorized	0	0	47,176	0	0
Office	0	0	5,600	5,722	31,658
Other	1,007	0	0	1,375	15,473
Building lease payments	210,810	191,765	192,981	193,192	185,629
Equipment rental and leases	75	0	15	0	45
Miscellaneous expenses	1,788	417	4,263	6,622	3,780
Refunds	30	1,289	198	208	694
Program distributions:					
Abandoned funds claim payments	46,412,390	44,603,810	38,218,447	43,372,088	43,734,033
Replacement of outlawed checks	5,210,291	2,973,294	2,629,571	1,888,025	1,803,708
Total Expenditures	\$ 56,072,974	51,464,430	44,888,731	49,290,578	49,552,194

The accompanying Notes to the Appendixes are an integral part of this statement.



# Appendix D

## Office of State Treasurer Comparative Statement of Funds in Custody of State Treasurer

	June 30,			
	2022	2021	2020	2019
				2018
<b>APPROPRIATED FUNDS</b>				
Demand Deposits:				
US Bank	\$ 1,078,825	2,468,047	1,753,729	339,723
Central Bank	(75,160,060)	(81,910,694)	(38,912,763)	(110,197,759)
Principal Custody Solutions	6,757	0	0	0
Wells Fargo Bank	0	59,591,941	60,005,009	2,503,721
Commerce Bank	8,170,708	16,129,790	10,758,154	1,141,197
UMB Bank	1,016,430	4,602,369	2,369,409	166,337
Collection bank accounts	2,536,348	2,321,181	2,801,637	2,227,451
Total Demand Deposits	(62,350,992)	3,202,634	38,775,175	(103,819,330)
Pooled Investments:				
Time deposits	178,854,045	193,316,922	366,673,666	373,181,821
U.S. government securities	12,170,181,129	5,403,913,567	3,419,134,912	2,543,993,000
Commercial paper and banker acceptances	1,177,602,336	549,859,611	399,392,194	0
Repurchase agreements	1,573,062,000	2,158,591,000	1,738,646,000	1,258,562,000
Total Pooled Investments	15,099,699,510	8,305,681,100	5,923,846,772	4,175,736,821
Total Demand Deposits and Pooled Investments	15,037,348,518	8,308,883,734	5,962,621,947	4,071,917,491
Special Fund Dedicated Investments:				
U.S. government securities	52,825,715	64,607,356	59,648,576	57,292,398
Donated corporate stock	5,130	5,130	5,130	5,130
Total Special Fund Dedicated Investments	52,830,845	64,612,486	59,653,706	57,297,528
Total Appropriated Funds	15,090,179,363	8,373,496,220	6,022,275,653	4,129,215,019
<b>NONAPPROPRIATED FUNDS</b>				
Demand deposits	13,927,719	12,840,639	13,552,430	12,950,572
Total Nonappropriated Funds	13,927,719	12,840,639	13,552,430	12,950,572
Total Cash and Investments	\$ 15,104,107,082	8,386,336,859	6,035,828,083	4,142,165,591

The accompanying Notes to the Appendixes are an integral part of this statement.

Appendix E

Office of State Treasurer

Comparative Statement of Interest Received on Pooled Investments

	Year Ended June 30,				
	2022	2021	2020	2019	2018
INTEREST RECEIPTS					
Appropriated funds	\$ 45,014,386	36,264,936	76,066,140	75,018,369	47,231,264
Total Interest Receipts	\$ 45,014,386	36,264,936	76,066,140	75,018,369	47,231,264

The accompanying Notes to the Appendixes are an integral part of this statement.



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## Notes to the Appendixes

### 1. Basis of Presentation

Amounts presented in Appendixes A through E are reported on the budgetary or cash basis of accounting. The budgetary basis recognizes revenues as cash is received and expenditures as cash is disbursed. Missouri issues an Annual Comprehensive Financial Report (ACFR) for each fiscal year ended June 30, in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. The financial activity of the Office of State Treasurer is included in the ACFR.

The amounts presented in Appendix A represent receipts, disbursements, transfers, and cash and investment balances of funds that are dedicated to the activities and programs of the office.

The amounts presented in Appendixes B and C represent funds appropriated to the office by the Missouri General Assembly and expended by the office.

The amounts presented in Appendixes D and E represent all funds in the state treasury and all trust funds in the custody of the State Treasurer.

State treasury funds are subject to appropriation; trust funds are not. The appendixes do not include any funds or investments that are not in the custody of the State Treasurer.

### 2. Cash and Investments

Article IV, Section 15 of the Missouri Constitution establishes the State Treasurer as custodian of all state funds and funds received from the U.S. government. This section further authorizes the State Treasurer to place all such money on time deposit, bearing interest, in Missouri banking institutions selected by the State Treasurer and approved by the Governor and the State Auditor, or in obligations of the U.S. government or any agency or instrumentality thereof maturing or becoming payable not more than 5 years from the date of purchase. In addition, the State Treasurer may enter into repurchase agreements maturing and becoming payable within 90 days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law. The State Treasurer may also invest in banker's acceptances issued by domestic commercial banks possessing the highest rating issued by at least 2 nationally recognized statistical rating organizations and in commercial paper, issued by domestic corporations receiving the highest rating issued by at least 2 nationally recognized statistical rating organizations. Investments in bankers acceptances and commercial paper shall mature and become payable not more than 180 days from the date of purchase, maintain the highest rating throughout the duration of the investment and meet any other requirements provided by law. The State Treasurer shall prepare, maintain, and adhere to a written investment policy that shall include an asset allocation plan limiting



Office of State Treasurer  
Organization and Statistical Information

the total amount of state money that may be invested in each investment category authorized by law.

## Deposits

The State Treasurer maintains approximately 43 demand deposit bank accounts that serve as the state's primary operating accounts, and 75 additional demand deposit bank accounts throughout the state, some with multiple depositing locations, that serve as collection accounts for various state agencies. Cash balances in the state's operating accounts that are not needed for immediate use are invested.

The demand deposit accounts on Appendix D are used to manage the state's daily receipt, disbursement, and transfer activities and to segregate funds available for investing. The demand deposit accounts consist of the following:

### Demand Deposit Accounts

	June 30, 2022		June 30, 2021		June 30, 2020	
	Bank Balance (\$)	Number of Accounts	Bank Balance (\$)	Number of Accounts	Bank Balance (\$)	Number of Accounts
US Bank	1,078,825	1	2,468,047	1	1,753,729	1
Central Bank	99,235,513	32	127,171,579	28	136,164,728	30
Commerce Bank	8,278,121	8	16,192,384	8	10,776,522	8
Principal Custody Solutions	6,757	1	0	0	0	0
Wells Fargo	0	0	60,000,000	1	60,000,000	1
UMB Bank	1,016,430	1	4,602,369	1	2,369,409	1
Collection bank accounts	2,611,078	75	2,429,588	81	2,822,166	83

Banking service agreements on the operating demand accounts allow the State Treasurer to invest outstanding checks up until the checks clear the bank, thereby investing an amount in excess of book balances. Negative balances at June 30 (Appendix D) for any bank's appropriated funds demand deposits represent the book balance net of amounts invested.

The State Treasurer's deposits at June 30, 2022, were entirely covered by federal depository insurance or by collateral securities held by the custodial banks in the State Treasurer's name.

To protect the safety of state deposits, Sections 30.270 and 110.020, RSMo, require depositories to pledge collateral securities to secure deposits not insured by the Federal Deposit Insurance Corporation.

## Investments

The State Treasurer's investments at June 30, 2022, are listed by type below to give an indication of the level of risk assumed by the state at year end. All investments are insured or registered, or have collateral held by the State Treasurer or a custodial bank in the state's name.



Office of State Treasurer  
Organization and Statistical Information

Investments in Custody of State  
Treasurer - June 30, 2022

	Reported Amount	Fair Value
Time deposits	\$ 178,854,045	178,838,551
U.S. Government securities	12,223,006,844	11,742,294,618
Commercial paper	1,177,602,336	1,178,676,870
Repurchase agreements	1,573,062,000	1,573,062,000
Other investments	5,130	134,587
Total investments	\$ 15,152,530,355	14,673,006,626

Investments are recorded at acquisition cost except "other" investments, which are recorded at par value. Investments in time deposits and repurchase agreements are acquired at face value and earn a stated interest rate. Investments in U.S. government securities are acquired at fair value and mature at face value.

### 3. Special Fund Dedicated Investments

The State Treasurer is assigned the authority for recording direct investments of special funds in the accounting system. The amounts presented as special fund dedicated investments in the appropriated funds on Appendix D include funds under the control of certain state agencies that represent specific investments made or held by the State Treasurer on behalf of the Pansy Johnson-Travis Memorial State Gardens Trust Fund and the State Public School Fund. The State Treasurer is responsible for purchasing, custodial, income collection, distribution, and record-keeping duties related to the investments of these funds.

The investments of the Pansy Johnson-Travis Memorial State Gardens Trust Fund are maintained in the instruments transferred to the State Treasurer from the previous trustee of the fund. The investment purchases for the State Public School Fund are made in accordance with the instructions of the State Public School Fund investment committee.



# Annual Report 2022

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**SCOTT FITZPATRICK**  
Missouri State Auditor







## Letter from Scott Fitzpatrick

It is an incredible honor and privilege to serve as the 39th State Auditor for our great state of Missouri. I have spent my career in public service working to protect taxpayer dollars by rooting out fraud and waste in government. As your State Auditor, I will serve as an independent watchdog to make sure government at all levels is efficient, effective, and transparent. In cases where we discover fraud, I will make sure those who are responsible for stealing taxpayer funds are held accountable for their actions.

This report reflects the outstanding efforts of the team of highly-experienced and skilled professionals in the State Auditor's Office who have dedicated their careers to providing proper oversight over Missouri's many governmental entities. During 2022, audit staff completed and released 135 reports that hold government at all levels accountable to the citizens of Missouri. Government is meant to work for you, and to use your tax dollars in a fiscally responsible manner. Many of the reports released in 2022 reveal how governmental entities have fallen short in the vital duty they have to serve taxpayers. Some of these reports revealed evidence of theft and abuse of taxpayer dollars, while others highlighted inefficiencies in government, and brought to light mismanagement impacting services to the public.

The people of Missouri are blessed to have a dedicated team of professionals who work in the State Auditor's Office and who are committed in their service to taxpayers. I am excited to work with them in the years to come as we strive to make government more accountable and more responsive to you - the people of Missouri.

*Scott Fitzpatrick*



## Duties of the State Auditor

The State Auditor's Office is Missouri's independent watchdog for taxpayers. The Missouri Constitution and state law give the State Auditor authority to audit:

**All state agencies, boards and commissions**

**Public employee retirement systems**

**Public employee healthcare systems**

**State court system**

**School districts**

**Counties that do not have a county auditor**

**Other political subdivisions upon petition by the voters of those subdivisions**

The State Auditor's Office works to ensure the proper use of public funds and to improve the efficiency and effectiveness of Missouri government.

Audits examine financial accountability; look for waste, abuse and fraud; and evaluate whether government organizations and programs are achieving their purposes and operating economically and efficiently. All audits are performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.



# Additional Duties of the State Auditor

## **Fiscal Notes**

The State Auditor's office is responsible for assessing the fiscal impact of constitutional amendment petitions, statutory initiative petitions, and referendum petitions, as well as joint resolutions proposing constitutional amendments or bills adopted by the General Assembly without a fiscal note summary, which are to be referred to a public vote. The fiscal note and fiscal note summary for each petition, joint resolution, or bill state the initiative's estimated costs or savings, if any, to state and local governmental entities.

## **Bond Registration**

The State Auditor's office is responsible for reviewing and registering general obligation bonds issued by political subdivisions in Missouri to ensure those bonds comply with both state law and the conditions of the contracts under which the bonds will be issued.

## **Review of Property Tax Rates**

State law requires the Missouri State Auditor annually to certify all taxing jurisdictions throughout Missouri as to their compliance with state law and the tax limitation provisions in Article X, Sections 16 through 24, Constitution of Missouri, commonly known as the Hancock Amendment. The State Auditor's office property tax rate report states whether a taxing jurisdiction has met its obligation to set an overall tax rate at a level approved by voters and within the limits set by Missouri law.



# About the Public Corruption and Fraud Division

The Public Corruption and Fraud Division is a unit within the Missouri State Auditor's Office dedicated to rooting out fraud, waste, and abuse in state, county and local government and assisting law enforcement to ensure public officials are held accountable.

The division is made up of attorneys, auditors, and investigators and includes forensic auditing specialists and Certified Fraud Examiners. The division has a demonstrated history of working with local, state and federal law enforcement to pursue justice for taxpayers.

Audits performed by the Public Corruption and Fraud Division examine financial accountability, waste, opportunities for fraud, and whether government organizations and programs are operating economically and efficiently.

All audits are performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.

When there is a potential criminal violation of law, audit staff will cooperate and work with appropriate law enforcement. This includes providing forensic auditing assistance to the law enforcement agency investigating the case. The State Auditor's Office is willing and able to assist throughout the process, including providing testimony during legal proceedings.

## PUBLIC CORRUPTION AND FRAUD DIVISION

### HOW WE INVESTIGATE



#### **We receive information on allegations of improper governmental activities**

Information is submitted to the State Auditor's Whistleblower Hotline. Under state law, individuals who make a report may choose to remain anonymous until they affirmatively consent to having their identity disclosed.



#### **We review the submitted information**

Each year, we receive hundreds of tips from citizens, public employees and government officials. When information is received, it is reviewed for relevance and completeness. Whistleblowers who provide contact information may be contacted for additional information.



#### **We investigate the allegations**

When allegations of fraud or abuse are reported, the Public Corruption and Fraud Division will complete an initial review to determine if allegations are credible. If not deemed credible or if insufficient documentation is provided, the case is closed. If deemed credible, there are a variety of potential next steps. To learn more about the steps and the audit process, visit [auditor.mo.gov/PCFD](http://auditor.mo.gov/PCFD).

**The State Auditor's Whistleblower Hotline is a resource to report potential wrongdoing.**

Whistleblowers can submit information by emailing [moaudit@auditor.mo.gov](mailto:moaudit@auditor.mo.gov), calling toll-free 1-800-347-8597 or using an online reporting form at [auditor.mo.gov](http://auditor.mo.gov)

**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR'S OFFICE



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# Audits Get Results

## **Audit of Parma leads to criminal conviction**

The former city clerk of Parma was sentenced in 2022 after pleading guilty to a felony charge of stealing from the Missouri Bootheel town of 713. The court ordered Helen Frye to pay restitution of \$37,626 to the city and sentenced her to seven years in prison. She received a suspended execution of sentence, meaning she will serve 120 days in prison and then be placed on probation. A 2020 audit determined the former city clerk, as well as the former mayor and city water supervisor, misappropriated more than \$115,000 over a four-year period through payroll overpayments and improper payments and purchases.

## **Audit produces criminal convictions in \$90 million healthcare fraud scheme**

Also in 2022, a federal jury in Florida convicted the head of a hospital management company and another individual for their roles in a conspiracy to operate a multi-state \$1.4 billion billing scheme that used rural hospitals to submit fraudulent claims. Jorge Perez and Ricardo Perez, who were also convicted of health care fraud, will be sentenced at a later date. The State Auditor's Office has worked with federal law enforcement agencies since the scheme was uncovered during a 2017 audit of Putnam County Memorial Hospital. That audit, which found \$90 million in illegal billings were passed through the 15-bed hospital, marked the largest fraud exposed in the history of the Missouri State Auditor's Office. The former CEO of the hospital pleaded guilty to federal health care fraud charges in 2019.

## **Former Greenville Clerk receives prison sentence after audit uncovers fraud**

The former clerk of Greenville was sentenced to 10 years in prison and ordered to repay \$168,957 to the city after being convicted on a charge of receiving stolen property. An audit conducted by the State Auditor's Office found improperly cashed checks, missing cash, and improper payroll and other payments during a time when Pamela S. Birmingham handled finances for the town of less than 500 in Wayne County in southeast Missouri.

## **Audit of Purcell produces guilty plea**

The former Mayor Pro Tem for the City of Purcell, located in Jasper County, was charged with stealing after an audit identified significant weaknesses that led to the misappropriation of thousands of dollars in taxpayer funds. The audit found former Mayor Pro Tem Nancy Wilson was responsible for at least \$3,233 in misappropriated or missing funds from the city. Wilson entered a guilty plea in January 2022 and was ordered to repay the city \$2,588. The State Auditor's Office worked with the Jasper County Sheriff on the matter.

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# Fighting Public Corruption

## **Misappropriation of \$90,000 in Carroll County Ambulance District**

An audit of the Carroll County Ambulance District found at least \$91,794 was misappropriated from the district during an approximately nine month period. Payroll overpayments totaling \$54,530 and questionable mileage reimbursements totaling \$1,945 were paid to the former director. The former director also misappropriated \$4,021 from a district employee benefit reimbursement account and used a district credit card for personal purchases totaling \$108. The former director also improperly authorized 19 payroll overpayments totaling \$29,560 to 15 district employees. The audit identified inadequate oversight by the board of directors over the former director and insufficient segregation of duties over the various financial accounting functions. It recommended that the board work with law enforcement officials regarding criminal prosecution of the improper overpayments, questionable and improper reimbursements, and improper purchases, and take the necessary actions to obtain restitution.

## **Former utility clerk for city of Forsyth charged with felony stealing**

A former utility clerk for the city of Forsyth was charged with one felony count of stealing by the Taney County Prosecuting Attorney for allegedly misappropriating \$2,000 in utility deposits from the city. An audit conducted by the State Auditor's Office uncovered that the money was missing between May 2019 and November 2019. The audit helped form the basis for the probable cause statement filed by the Taney County Sheriff's Department.

## **Audit of Cross Timbers finds more than \$44,000 in misappropriated funds**

An audit of the City of Cross Timbers, located in Hickory County, found tens of thousands of dollars misappropriated by a former city clerk and a city in poor financial condition. Auditors found at least \$44,452 was misappropriated by former city clerk January "Nicki" Clark during her employment with the city from 2017 to 2020. This included payments to the city never deposited; improper adjustments to utility payments, including adjustments to Clark's own utility account; and overcompensation to herself.

Bank records obtained by the State Auditor's Office and provided to law enforcement established that there were cash deposits into her personal bank account of amounts similar to or greater than the amount of missing city receipts. Clark was charged with felony stealing by the Hickory County Prosecuting Attorney. That criminal case remains on-going, with the State Auditor's Public Corruption and Fraud Unit providing support.



# Serving the Will of Taxpayers

Under Missouri law, the State Auditor's office may be called on to audit any political subdivision of the state if enough qualified voters of that political subdivision request the audit. Anyone can start the process to initiate a petition audit by submitting a Petition Audit Request form to the State Auditor's Office.

Missouri law specifies:

- The political subdivision (a city, school district, taxing district, etc.) audited through the petition process is responsible for the cost of the audit.
- Petition signatures must be from registered voters who live within the boundaries of that political subdivision.
- The petition and signatures must be submitted to the State Auditor's Office within one year of the initial request.
- The person who submits the petition and signatures to the State Auditor's Office (the chief petitioner) must be a property owner or resident of the political subdivision.

## Petition Audits Completed in 2022

### City of Rockville

The small community in Bates County received a rating of "poor" after auditors found numerous concerns related to accounting controls as well as a lack of oversight in the handling of city finances.

### City of Fairview

The audit of the City of Fairview, located in Newton County, produced a "poor" rating after auditors identified significant concerns such as overpayments to the former city clerk and conflicts of interest by the former mayor.

### Cornland Special Road District

The Cornland Special Road District, located in Bates County, received a rating of "fair" after auditors identified conflicts of interest and a lack of transparency.

### Clay County Commission

The audit of the Commission, which was repeatedly obstructed by former commissioners, issued a rating of "poor" and identified significant concerns with county operations under the prior Commission.

### Smithville R-II School District

The audit gave the school district located in Clay County a rating of "good" but made several recommendations to improve accounting controls and oversight in the district, as well as compliance with the Sunshine Law.

### Town and Country

A citizen-requested audit of the city of Town in Country, located in St. Louis County, detailed poor planning by the city on the Town Square development project, which resulted in changes that cost taxpayers more than \$1.3 million beyond the original cost estimate.



SCOTT FITZPATRICK  
MISSOURI STATE AUDITOR

# BY THE NUMBERS

## 2022

### 135 AUDITS COMPLETED

### 139 BONDS REGISTERED

### FINANCIAL REPORTS

The Missouri State Auditor's Office received 758 financial reports from municipalities and 1,878 financial reports from other political subdivisions.

The reports are posted and searchable online at [auditor.mo.gov](http://auditor.mo.gov).

### OVERSIGHT OF FEDERAL FUNDS

This year's annual Statewide Single Audit reviewed: **\$20.6 billion in federal funds, 20 federal programs, 10 state agencies.** The report included 22 findings.

### PROPERTY TAX RATES REVIEW

The State Auditor's Office annually reviews rates to determine compliance with state law. In 2022, the office reviewed 4,854 property tax rates of 2,809 taxing authorities.

### FISCAL NOTES

The State Auditor's Office prepared 94 fiscal notes for measures that were proposed for the ballot for the 2022 election cycle.

## 2022 State Auditor's Office Reports

Report	Date Issued	Report Number
Hickory County Financial Statements	12/30/22	2022-135
City of Dixon	12/29/22	2022-134
State Auditor End of Term Report	12/28/22	2022-133
Missouri State Highway Patrol's Use of Highway Funds Year Ended June 30, 2022	12/28/22	2022-132
Monthly Report on Political Subdivision Filings November 2022	12/22/22	2022-131
Monthly Report on Municipal Court and Revenue Filings November 2022	12/22/22	2022-130
Summary of 2022 Follow-Up Reports	12/21/22	2022-129
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery November 2022	12/21/22	2022-128
Federal Funding for COVID-19 Response November 2022	12/21/22	2022-127
Stoddard County	12/20/22	2022-126
Texas County	12/19/22	2022-125
Follow-Up Report On Audit Findings City of Cross Timbers	12/15/22	2022-124
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery October 2022	12/14/22	2022-123
Federal Funding for COVID-19 Response October 2022	12/14/22	2022-122
2022 Property Tax Rates	12/13/22	2022-121
Monthly Report on Political Subdivision Filings October 2022	12/08/22	2022-120
Monthly Report on Municipal Court and Revenue Filings October 2022	12/08/22	2022-119
City of Orrick	12/07/22	2022-118
Lewis County Financial Statements	12/02/22	2022-117
City of St. Louis Department of Public Utilities	12/01/22	2022-116
Summary of Local Government and Court Audit Findings - Information Security Controls	11/30/22	2022-115
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery September 2022	11/28/22	2022-114
Federal Funding for COVID-19 Response September 2022	11/28/22	2022-113
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery August 2022	11/28/22	2022-112
Federal Funding for COVID-19 Response August 2022	11/28/22	2022-111
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery July 2022	11/28/22	2022-110
Federal Funding for COVID-19 Response July 2022	11/28/22	2022-109
Carroll County Ambulance District	11/23/22	2022-108
Clay County Collector and Property Tax System	11/22/22	2022-107
City of Polo	11/22/22	2022-106
US Highway 65 and Truman Dam Access Road Transportation Development District	11/21/22	2022-105
Barry County Financial Statements	11/18/22	2022-104
Dallas County Financial Statements	11/18/22	2022-103
Osage County Financial Statements	11/18/22	2022-102
Iron County Financial Statements	11/18/22	2022-101
City of Rockville	11/17/22	2022-100
City of Fairview	11/16/22	2022-099
City of St. Louis Office of Mayor and Other City Offices	11/15/22	2022-098
Perry County	11/14/22	2022-097
Monthly Report on Political Subdivision Filings September 2022	11/10/22	2022-096
Monthly Report on Municipal Court and Revenue Filings September 2022	11/10/22	2022-095
Monthly Report on Political Subdivision Filings August 2022	10/24/22	2022-094
Monthly Report on Municipal Court and Revenue Filings August 2022	10/24/22	2022-093
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery June 2022	10/19/22	2022-092
Federal Funding for COVID-19 Response June 2022	10/19/22	2022-091
Department of Conservation Data Security	10/17/22	2022-090
2022 Section 536.175, RSMo Compliance	10/11/22	2022-089
Dent County	10/05/22	2022-088
Putnam County	10/04/22	2022-087
Grundy County	10/03/22	2022-086
City of St. Louis Department of Parks, Recreation, and Forestry	09/21/22	2022-085
Nodaway County	09/20/22	2022-084
St. Louis County Fire Protection Districts	09/19/22	2022-083
Scott County Financial Statements	09/16/22	2022-082
Audrain County Financial Statements	09/16/22	2022-081
Andrew County Financial Statements	09/16/22	2022-080
Adair County Financial Statements	09/16/22	2022-079
Greene County Fire Protection Districts	09/14/22	2022-078



Cornland Special Road District	09/13/22	2022-077
Monthly Report on Political Subdivision Filings July 2022	09/12/22	2022-076
Monthly Report on Municipal Court and Revenue Filings July 2022	09/12/22	2022-075
Smithville R-II School District	09/01/22	2022-074
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery May 2022	08/31/22	2022-073
Federal Funding for COVID-19 Response May 2022	08/31/22	2022-072
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery April 2022	08/31/22	2022-071
Federal Funding for COVID-19 Response April 2022	08/31/22	2022-070
STO Statewide Audits Summary Letter	08/25/22	2022-069
MoDOT Statewide Audits Summary Letter	08/25/22	2022-068
DSS Statewide Audits Summary Letter	08/25/22	2022-067
DOR Statewide Audits Summary Letter	08/25/22	2022-066
DPS-SEMA Statewide Audits Summary Letter	08/25/22	2022-065
DPS-MVC Statewide Audits Summary Letter	08/25/22	2022-064
DNR Statewide Audits Summary Letter	08/25/22	2022-063
DMH Statewide Audits Summary Letter	08/25/22	2022-062
DOLIR Statewide Audits Summary Letter	08/25/22	2022-061
DHEWD Statewide Audits Summary Letter	08/25/22	2022-060
DHSS Statewide Audits Summary Letter	08/25/22	2022-059
DESE Statewide Audits Summary Letter	08/25/22	2022-058
DED Statewide Audits Summary Letter	08/25/22	2022-057
DOC Statewide Audits Summary Letter	08/25/22	2022-056
MDC Statewide Audits Summary Letter	08/25/22	2022-055
AGO Statewide Audits Summary Letter	08/25/22	2022-054
OA Statewide Audits Summary Letter	08/25/22	2022-053
Office of State Treasurer	08/18/22	2022-052
Review of Article X, Sections 16 Through 24, Constitution of Missouri Year Ended June 30, 2021	08/17/22	2022-051
Monthly Report on Municipal Court and Revenue Filings June 2022	08/15/22	2022-050
Monthly Report on Political Subdivision Filings June 2022	08/15/22	2022-049
Miller County Collector and Property Tax System	08/08/22	2022-048
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery March 2022	08/04/22	2022-047
Federal Funding for COVID-19 Response March 2022	08/04/22	2022-046
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery February 2022	08/04/22	2022-045
Federal Funding for COVID-19 Response February 2022	08/04/22	2022-044
State of Missouri Single Audit Year Ended June 30, 2021	07/28/22	2022-043
Monthly Report on Political Subdivision Filings May 2022	07/20/22	2022-042
Monthly Report on Municipal Court and Revenue Filings May 2022	07/20/22	2022-041
Department Of Commerce And Insurance - Insurance	07/19/22	2022-040
Follow-Up Report On Audit Findings City of Homestead Village	07/18/22	2022-039
Webster County Financial Statements	07/01/22	2022-038
Department of Revenue Sales and Use Tax	06/30/22	2022-037
2021 Annual Report	06/30/22	2022-036
Reynolds County Collector and Property Tax System	06/14/22	2022-035
I-70 & Adams Dairy Parkway Transportation Development District	06/09/22	2022-034
City of Purcell	06/09/22	2022-033
Monthly Report on Political Subdivision Filings April 2022	06/08/22	2022-032
Monthly Report on Municipal Court and Revenue Filings April 2022	06/08/22	2022-031
Worth County	06/07/22	2022-030
Clinton County Commission and County Clerk	05/26/22	2022-029
City of Belton	05/25/22	2022-028
Monthly Report on Political Subdivision Filings March 2022	05/05/22	2022-027
Monthly Report on Municipal Court and Revenue Filings March 2022	05/05/22	2022-026
Crawford County Financial Statements	03/18/22	2022-025
Monthly Report on Political Subdivision Filings February 2022	03/17/22	2022-024
Monthly Report on Municipal Court and Revenue Filings February 2022	03/17/22	2022-023
Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters Year Ended June 30, 2021	03/16/22	2022-022
Compilation of 2021 Federal Forfeiture Reports	03/14/22	2022-021
City of Cross Timbers	03/09/22	2022-020



Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery January 2022	03/08/22	2022-019
Federal American Rescue Plan (ARP) Act Funding for COVID-19 Recovery December 2021	03/08/22	2022-018
Clay County	03/02/22	2022-017
Federal Funding for COVID-19 Response January 2022	03/02/22	2022-016
Federal Funding for COVID-19 Response December 2021	03/02/22	2022-015
Monthly Report on Political Subdivision Filings January 2022	03/01/22	2022-014
Monthly Report on Municipal Court and Revenue Filings January 2022	03/01/22	2022-013
Compilation of 2021 Criminal Activity Forfeiture Act Seizures	02/28/22	2022-012
Tax Credit Programs	02/24/22	2022-011
City of St. Louis Community and Economic Development Offices	02/22/22	2022-010
Ralls County	02/01/22	2022-009
Monthly Report on Political Subdivision Filings December 2021	01/31/22	2022-008
Monthly Report on Municipal Court and Revenue Filings December 2021	01/31/22	2022-007
Texas County Financial Statements	01/28/22	2022-006
City of St. Louis Department of Streets	01/26/22	2022-005
Gaming Proceeds for Education Fund	01/24/22	2022-004
Working Capital Revolving Fund	01/24/22	2022-003
Annual Comprehensive Financial Report / Year Ended June 30, 2021	01/21/22	2022-002
City of Town and Country	01/11/22	2022-001



# Scott Fitzpatrick

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Missouri State Auditor

State of Missouri  
Single Audit  
Year Ended June 30, 2022

Report No. 2023-030

July 2023

[auditor.mo.gov](https://auditor.mo.gov)



## Findings in the Fiscal Year 2022 State of Missouri Single Audit

Background	The United States Congress passed the Single Audit Act Amendments of 1996 to establish uniform requirements for audits of federal awards. A single audit requires an audit of the State of Missouri's financial statements and expenditures of federal awards. The state spent approximately \$18.4 billion in federal awards during the fiscal year ended June 30, 2022. The Single Audit involved audit work on 19 major federal programs administered by 7 state agencies, with expenditures totaling approximately \$13.9 billion.
Medicaid National Correct Coding Initiative	As noted in two previous audits, the Department of Social Services (DSS) - MO HealthNet Division did not fully implement the Medicaid National Correct Coding Initiative edits in the Medicaid Management Information System as required.
Medicaid and CHIP MAGI-Based Participant Eligibility	As noted in three previous audits, the DSS does not have sufficient controls to ensure compliance with the eligibility requirements of the Medical Assistance Program (Medicaid) and the Children's Health Insurance Program (CHIP) for certain participants whose eligibility is based on their Modified Adjusted Gross Income (MAGI). The DSS did not correct manual system overrides for some MAGI-based participants, preventing their cases from being closed when necessary.
Medicaid and CHIP Eligibility Determination Timeliness	The DSS did not perform eligibility determinations within required timeframes for participants of the Medicaid and the CHIP. The DSS did not meet timeliness requirements for 40 of the 115 new enrollment participants reviewed. The late determinations were made 2 to 144 days after the required 45 or 90-day requirement, and averaged 68 days late.
Department of Social Services Cost Allocation	DSS - Division of Finance and Administrative Services (DFAS) controls and procedures to allocate some administrative costs to federal programs were not sufficient to prevent and/or detect errors. For the year ended June 30, 2022, costs totaling approximately \$38.5 million were incorrectly allocated to 6 programs. As a result, approximately \$10.2 million (federal share) was allocated to state funding, that could have been allocated to federal funding for 4 programs.
Pandemic Electronic Benefit Transfer Food Benefits	DSS controls over the Pandemic Electronic Benefit Transfer Food Benefits (P-EBT) program were insufficient to prevent improper benefit issuances on behalf of school children. The audit sample of payments for 60 school children noted the DSS issued benefits on behalf of one ineligible child and made overpayments on behalf of another child.
DSS FFATA Reporting	As similarly noted in a previous audit, the DFAS needs to strengthen internal controls related to Federal Funding Accountability and Transparency Act (FFATA) reporting. During state fiscal year 2022, DFAS did not comply with FFATA reporting requirements for any of the subawards reviewed for the Social Services Block Grant (SSBG) program.

Medicaid Facility Survey Timeliness	As similarly noted in a prior audit report, the Section for Long-Term Care Regulations (SLCR) within the Department of Health and Senior Services (DHSS) did not perform facility survey procedures within required timeframes. For the year ended June 30, 2022, some Statement of Deficiencies and Plan of Corrections were sent 11 to 26 days after survey exit instead of within 10 days, and some facility revisits were completed between 61 and 82 days instead of within 60 days of the initial survey date.
ELC Program Subrecipient Monitoring	As similarly noted in a prior audit report, the Division of Community and Public Health (DCPH) within the DHSS did not adequately monitor Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) program subrecipient contracts during the year ended June 30, 2022. A review of a sample of 21 contracts requiring financial monitoring reviews noted 7 (33 percent) had not been completed as of June 30, 2022.
DESE FFATA Reporting	The Department of Elementary and Secondary Education (DESE) needs to strengthen internal controls related to FFATA reporting for the Education Stabilization Fund. As similarly noted in a previous audit, during state fiscal year 2022, the DESE did not comply with FFATA reporting requirements for any of the subawards reviewed for the GEER Fund or the EANS program. In addition, the DESE has not made corrections and resubmitted state fiscal year 2021 FFATA reports for the GEER Fund grants.

Because of the nature of this audit, no rating is provided.

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# State of Missouri

## Single Audit

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# State of Missouri

## Single Audit

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Corrective Action Plans

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#### Common Abbreviations

ACFR	Annual Comprehensive Financial Report
AL	Assistance Listing
CAP	Corrective Action Plan
CFR	Code of Federal Regulations
CSR	Code of State Regulations
COVID-19	Coronavirus Disease 2019
FFATA	Federal Funding Accountability and Transparency Act
OMB	Office of Management and Budget
RSMo	Missouri Revised Statutes
SAM II	Statewide Advantage for Missouri
SEFA	Schedule of Expenditures of Federal Awards
USC	United States Code

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# State of Missouri - Single Audit

## Introduction and Summary

### Year Ended June 30, 2022

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#### **Introduction**

The United States Congress passed the Single Audit Act Amendments of 1996 to establish uniform requirements for audits of federal awards. The Office of Management and Budget (OMB) issued Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) to set forth uniform cost principles and audit requirements for federal awards to nonfederal entities and administrative requirements for all federal grants and cooperative agreements.

A single audit under the Uniform Guidance requires an audit of the State of Missouri's financial statements and expenditures of federal awards. The audit is required to determine whether:

- The state's basic financial statements are presented fairly in all material respects in conformity with generally accepted accounting principles.
- The state's schedule of expenditures of federal awards is stated fairly in all material respects in relation to the financial statements as a whole.
- The state has adequate internal controls to ensure compliance with federal award requirements.
- The state has complied with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs.
- The state's summary schedule of prior audit findings materially represents the status of the prior audit findings.

The Single Audit report includes the federal awards expended by all state agencies and offices that are part of the primary government. The report does not include the public universities and other component units, which are legally separate from the state and audited by other auditors. The state expended approximately \$18.4 billion in federal awards during the state fiscal year ended June 30, 2022.



State of Missouri - Single Audit  
Introduction and Summary  
Year Ended June 30, 2022

## Summary of Single Audit Results

### Financial Statements

The following is the summary of our Single Audit results for the state fiscal year ended June 30, 2022.

We issued our audit report (Report No. 2023-010<sup>1</sup>) of the state's Annual Comprehensive Financial Report (ACFR), as of and for the year ended June 30, 2022, in March 2023. In addition, we issued our Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters (Report No. 2023-022<sup>2</sup>) in May 2023. In that report, we reported 9 findings related to internal control deficiencies at 5 state agencies and 1 office. The state agencies' and office's responses to the audit findings are included in that report. The agencies prepared a Corrective Action Plan (CAP) for each finding. The CAPs were submitted to the Office of Administration (OA) and are in the Corrective Action Plans section of this report. The state agencies prepared and submitted to the OA the status of the prior financial statement audit findings. These are presented in the Summary Schedule of Prior Audit Findings section of this report.

### Federal Awards

We issued our report on the accompanying Schedule of Expenditures of Federal Awards (SEFA). The state's SEFA, which does not include federal award expenditures of the public universities and other component units, reported the state expended approximately \$18.4 billion in federal funds in state fiscal year 2022. Our report expressed the opinion that the SEFA is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We audited 19 major federal programs with expenditures totaling approximately \$13.9 billion, administered by 7 state agencies.

We issued a qualified opinion on 2 major federal programs and an unmodified opinion on 17 major federal programs. A qualified opinion is issued when the audit of a major federal program detects material noncompliance with direct and material compliance requirements. A qualified opinion was issued on the following major programs administered by the Department of Social Services:

- Children's Health Insurance Program, modified for Special Tests and Provisions
- Medicaid Cluster, modified for Special Tests and Provisions

In total, we reported 9 audit findings related to 6 major federal programs at 3 state agencies. We identified approximately \$1,000 in known questioned

<sup>1</sup>The ACFR is available online at: <<https://oa.mo.gov/accounting/reports/annual-reports/annual-comprehensive-financial-reports>>.

<sup>2</sup>See report at <<https://auditor.mo.gov/AuditReport/ViewReport?report=2023022>>.





State of Missouri - Single Audit  
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costs related to federal awards. Of the 9 audit findings, 6 were repeated from prior Single Audits. These findings have been reported for 1 to 3 years.

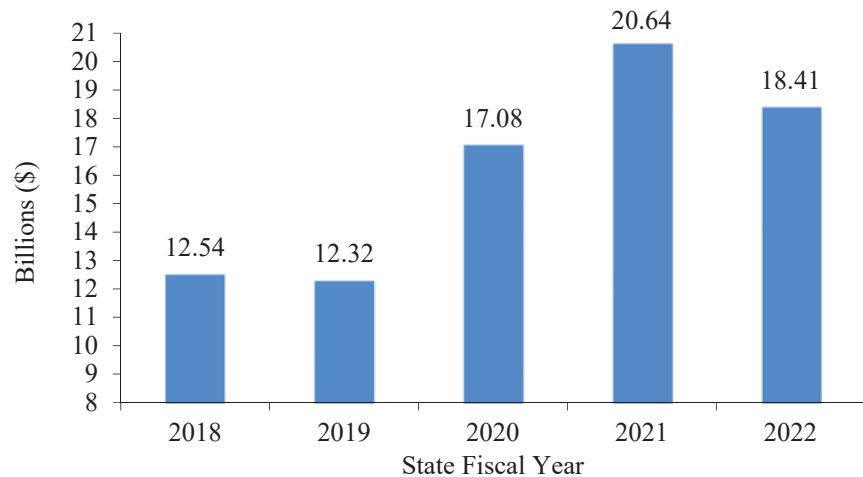
Of the 9 federal award audit findings, 6 related to internal control deficiencies. We consider 1 finding of internal control deficiency to be a material weakness and 5 to be significant deficiencies.

The state agencies' responses to the audit findings are included in this report. The state agencies prepared a CAP for each audit finding and submitted them to the OA. These are presented in the Corrective Action Plans section of this report.

In addition, the state agencies prepared and submitted to the OA the status of the prior audit findings. These are presented in the Summary Schedule of Prior Audit Findings section of this report.

Expenditures of federal awards increased significantly in state fiscal years 2020 and 2021, and decreased but remained elevated in state fiscal year 2022. The increases were primarily due to the additional federal funding made available to state agencies to help pay for the state's emergency response to the Coronavirus Disease 2019 (COVID-19).

**Total Expenditures of Federal Awards  
5 Year Comparison**

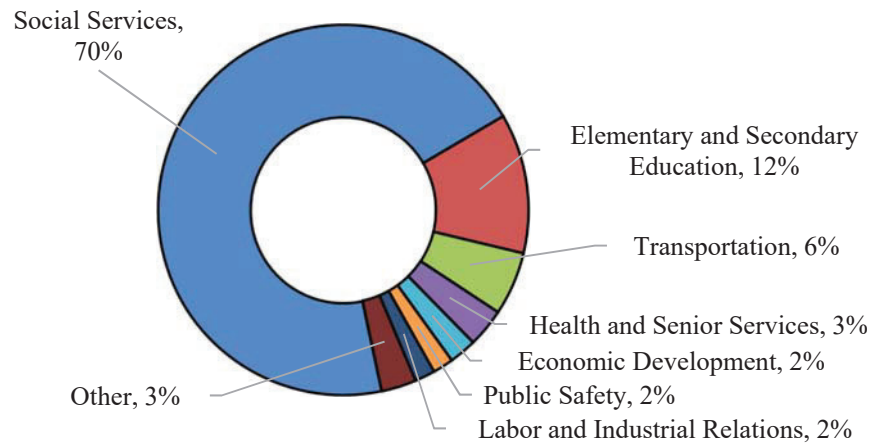




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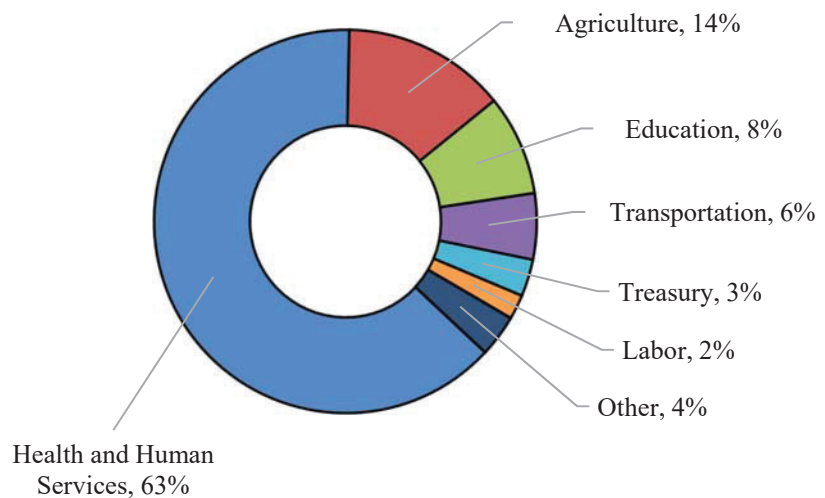
Of the 20 state agencies and offices that expended federal awards, 7 agencies spent the majority of the awards (97 percent) during state fiscal year 2022.

**Expenditures of Federal Awards by State Agency**



The state expended federal awards received from 23 federal agencies. Most of the federal award expenditures (96 percent) were from programs of 6 federal agencies.

**Expenditures of Federal Awards by Federal Agency**



Overall, the state expended federal awards in 311 programs. These programs are listed in the accompanying Schedule of Expenditures of Federal Awards.

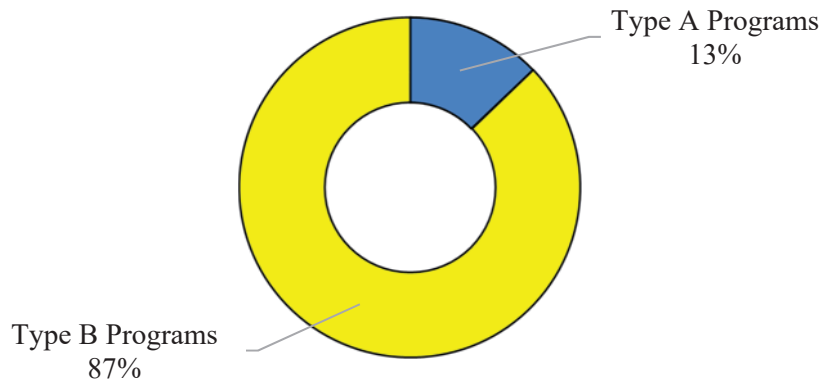


State of Missouri - Single Audit  
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The Uniform Guidance requires federal programs to be labeled Type A programs or Type B programs based on a dollar threshold. For the State of Missouri, the Uniform Guidance defines the dollar threshold as \$30 million since the federal award expenditures exceeded \$10 billion, but were less than or equal to \$20 billion.

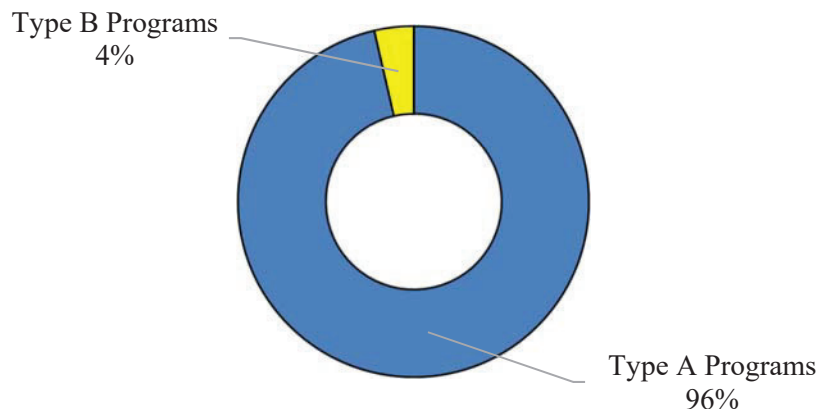
Programs with federal award expenditures over \$30 million are Type A programs and programs with federal award expenditures under \$30 million are Type B programs. Of the 311 federal award programs, 40, or 13 percent of the programs, were Type A programs and 271, or 87 percent of the programs, were Type B programs.

**Type A and Type B Programs  
Number of Programs**



The 40 Type A programs had expenditures totaling approximately \$17.8 billion, or 96 percent of total expenditures. The 271 Type B programs had expenditures totaling approximately \$661 million, or 4 percent of total expenditures.

**Type A and Type B Programs  
Expenditures of Federal Awards**





State of Missouri - Single Audit  
Introduction and Summary  
Year Ended June 30, 2022

The Uniform Guidance requires the auditor to perform risk assessments on Type A programs and to audit as major each Type A program assessed as high risk based on specified risk factors. We performed a risk assessment on each Type A program and determined 22 of the 40 Type A programs were low risk and did not need to be audited as major. In accordance with the Uniform Guidance, we audited as major the 18 Type A programs assessed as high risk.

The Uniform Guidance also requires the auditor to perform risk assessments on larger Type B programs to determine which are high risk and need to be audited as major. The dollar threshold to determine the larger Type B programs is 25 percent of the Type A threshold, or \$7.5 million. Of the 271 Type B programs, 26 were larger Type B programs. We performed risk assessments on the 26 larger Type B programs and determined 1 program was high risk. In accordance with the Uniform Guidance, we audited the program as major.

The programs audited as major are listed in the summary of auditor's results section of the Schedule of Findings and Questioned Costs section of this report. We audited 75 percent of total state fiscal year 2022 federal expenditures based on the risk assessments on Type A and larger Type B programs.

**Major and Non-major Federal Programs**

Type of Programs	Number of Programs	Expenditures	Percentage of Expenditures
<u>Programs Audited</u>			
Type A major programs	18	\$ 13,862,499,482	
Type B major programs	1	21,334,554	
Total major programs	19	13,883,834,036	75%
<u>Programs not Audited</u>			
Type A non-major programs	22	3,887,615,270	
Type B non-major programs	270	639,548,487	
Total non-major programs	292	4,527,163,757	25%
Total programs	311	\$ 18,410,997,793	100%

State of Missouri  
Summary of Type A Programs  
Year Ended June 30, 2022

AL Number	Program or Cluster Name	Federal Grantor Agency	Federal Awards Expended (1)
10.542	COVID-19 - Pandemic EBT Food Benefits	Agriculture	\$ 219,337,020
	SNAP Cluster:		
10.551	COVID-19 - Supplemental Nutrition Assistance Program	Agriculture	117,346,099
10.551	Supplemental Nutrition Assistance Program	Agriculture	1,271,336,154
	Total Supplemental Nutrition Assistance Program		1,388,682,253
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Agriculture	62,412,546
	Total SNAP Cluster		1,451,094,799
	Child Nutrition Cluster:		
10.553	School Breakfast Program	Agriculture	125,528,803
10.555	COVID-19 - National School Lunch Program	Agriculture	34,404,817
10.555	National School Lunch Program	Agriculture	405,512,105
	Total National School Lunch Program		439,916,922
10.556	Special Milk Program for Children	Agriculture	259,419
10.559	Summer Food Service Program for Children	Agriculture	69,934,308
10.582	Fresh Fruit and Vegetable Program	Agriculture	2,717,663
	Total Child Nutrition Cluster		638,357,115
10.557	COVID-19 - WIC Special Supplemental Nutrition Program for Women, Infants, and Children	Agriculture	2,965,036
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	Agriculture	61,272,259
	Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children		64,237,295
10.558	COVID-19 - Child and Adult Care Food Program	Agriculture	5,223,296
10.558	Child and Adult Care Food Program	Agriculture	112,503,671
	Total Child and Adult Care Food Program		117,726,967
	Food Distribution Cluster:		
10.565	COVID-19 - Commodity Supplemental Food Program	Agriculture	74,521
10.565	Commodity Supplemental Food Program	Agriculture	7,241,394
	Total Commodity Supplemental Food Program		7,315,915
10.568	COVID-19 - Emergency Food Assistance Program (Administrative Costs)	Agriculture	1,971,006
10.568	Emergency Food Assistance Program (Administrative Costs)		1,370,720
	Total Emergency Food Assistance Program (Administrative Costs)		3,341,726
10.569	Emergency Food Assistance Program (Food Commodities)	Agriculture	29,300,566
	Total Food Distribution Cluster		39,958,207
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Defense	58,000,471
14.228	COVID-19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Housing and Urban Development	360,455
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Housing and Urban Development	40,862,091
	Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii		41,222,546
16.575	Crime Victim Assistance	Justice	51,534,658
17.225	COVID-19 - Unemployment Insurance	Labor	49,695,403
17.225	Unemployment Insurance	Labor	273,455,674
	Total Unemployment Insurance		323,151,077
	WIOA Cluster:		
17.258	WIOA Adult Program	Labor	12,680,103
17.259	WIOA Youth Activities	Labor	10,154,260
17.278	WIOA Dislocated Worker Formula Grants	Labor	11,832,233
	Total WIOA Cluster		34,666,596

State of Missouri  
Summary of Type A Programs  
Year Ended June 30, 2022

AL Number	Program or Cluster Name	Federal Grantor Agency	Federal Awards Expended (1)
20.106	COVID-19 - Airport Improvement Program and COVID-19 Airports Programs	Transportation	877,296
20.106	Airport Improvement Program and COVID-19 Airports Programs	Transportation	42,628,775
	Total Airport Improvement Program and COVID-19 Airports Programs		43,506,071
	Highway Planning and Construction Cluster:		
20.205	Highway Planning and Construction	Transportation	895,119,416
20.219	Recreational Trails Program	Transportation	1,077,359
20.224	Federal Lands Access Program	Transportation	483,653
	Total Highway Planning and Construction Cluster		896,680,428
21.019	COVID-19 - Coronavirus Relief Fund	Treasury	140,302,082
21.023	COVID-19 - Emergency Rental Assistance Program	Treasury	269,650,237
21.026	COVID-19 - Homeowner Assistance Fund	Treasury	124,442,402
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Treasury	41,449,261
64.015	Veterans State Nursing Home Care	Veterans Affairs	50,975,416
	Clean Water State Revolving Fund Cluster:		
66.458	Capitalization Grants for Clean Water State Revolving Funds	Environmental Protection Agency	51,748,128
	Total Clean Water State Revolving Fund Cluster		51,748,128
84.010	Title I Grants to Local Educational Agencies	Education	237,873,638
	Special Education Cluster (IDEA):		
84.027	Special Education Grants to States	Education	236,367,712
84.173	Special Education Preschool Grants	Education	5,981,056
	Total Special Education Cluster (IDEA)		242,348,768
84.032	Federal Family Education Loans	Education	47,611,189
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	Education	67,651,755
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	Education	35,997,466
84.425C	COVID-19 - Governor's Emergency Education Relief (GEER) Fund	Education	21,685,785
84.425D	COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	Education	424,689,701
84.425R	COVID-19 - Coronavirus Response and Relief Supplemental Appropriations Act, 2021- Emergency Assistance to Non-Public Schools (CRRSA EANS)	Education	46,930,108
84.425U	COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	Education	333,956,271
	Total Education Stabilization Fund		827,261,865
	Aging Cluster:		
93.044	COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	Health and Human Services	911,976
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	Health and Human Services	9,143,517
	Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		10,055,493
93.045	COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	Health and Human Services	1,470,658
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	Health and Human Services	15,600,141
	Total Special Programs for the Aging, Title III, Part C, Nutrition Services		17,070,799
93.053	Nutrition Services Incentive Program	Health and Human Services	3,683,271
	Total Aging Cluster		30,809,563
93.268	COVID-19 - Immunization Cooperative Agreements	Health and Human Services	24,142,500
93.268	Immunization Cooperative Agreements	Health and Human Services	76,123,754
	Total Immunization Cooperative Agreements		100,266,254

State of Missouri  
Summary of Type A Programs  
Year Ended June 30, 2022

AL Number	Program or Cluster Name	Federal Grantor Agency	Federal Awards Expended (1)
93.323	COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Health and Human Services	109,855,746
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Health and Human Services	1,501,884
	Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)		111,357,630
93.558	Temporary Assistance for Needy Families	Health and Human Services	191,000,130
93.568	COVID-19 - Low-Income Home Energy Assistance	Health and Human Services	31,306,316
93.568	Low-Income Home Energy Assistance	Health and Human Services	108,376,293
	Total Low-Income Home Energy Assistance		139,682,609
93.569	COVID-19 - Community Services Block Grant	Health and Human Services	13,995,140
93.569	Community Services Block Grant	Health and Human Services	18,912,095
	Total Community Services Block Grant		32,907,235
	CCDF Cluster:		
93.575	COVID-19 - Child Care and Development Block Grant	Health and Human Services	101,018,251
93.575	Child Care and Development Block Grant	Health and Human Services	104,826,097
	Total Child Care and Development Block Grant		205,844,348
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	Health and Human Services	68,502,800
	Total CCDF Cluster		274,347,148
93.658	Foster Care Title IV-E	Health and Human Services	62,766,910
93.659	Adoption Assistance	Health and Human Services	65,761,701
93.667	Social Services Block Grant	Health and Human Services	51,369,005
93.767	Children's Health Insurance Program	Health and Human Services	305,692,367
	Medicaid Cluster:		
93.775	State Medicaid Fraud Control Units	Health and Human Services	1,589,727
93.777	COVID-19 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	Health and Human Services	1,375,383
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	Health and Human Services	17,879,507
	Total State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare		19,254,890
93.778	COVID-19 - Medical Assistance Program	Health and Human Services	714,995,139
93.778	Medical Assistance Program	Health and Human Services	9,284,323,744
	Total Medical Assistance Program		9,999,318,883
	Total Medicaid Cluster		10,020,163,500
93.959	COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse	Health and Human Services	11,065,725
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Health and Human Services	27,028,104
	Total Block Grants for Prevention and Treatment of Substance Abuse		38,093,829
	Disability Insurance/SSI Cluster:		
96.001	Social Security Disability Insurance	Social Security Administration	45,327,066
	Total Disability Insurance/SSI Cluster		45,327,066
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Homeland Security	163,784,348
	Total Type A Programs (expenditures greater than \$30,000,000)	\$	17,750,114,752

(1) The first column under Federal Awards Expended shows the expenditures for programs partially funded with COVID-19 funds, as reported on the Schedule of Expenditures of Federal Awards.



# SCOTT FITZPATRICK

## MISSOURI STATE AUDITOR

### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly

#### **Report on Compliance for Each Major Federal Program**

##### ***Qualified and Unmodified Opinions***

We have audited the State of Missouri's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the State of Missouri's major federal programs for the year ended June 30, 2022. The State of Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

##### ***Qualified Opinion on the Children's Health Insurance Program and the Medicaid Cluster***

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State of Missouri complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Children's Health Insurance Program and the Medicaid Cluster for the year ended June 30, 2022.

##### ***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the State of Missouri complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2022.

##### ***Basis for Qualified and Unmodified Opinions***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.



We are required to be independent of the State of Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State of Missouri's compliance with the compliance requirements referred to above.

*Matters Giving Rise to Qualified Opinion on the Children's Health Insurance Program and the Medicaid Cluster*

As described in the accompanying Schedule of Findings and Questioned Costs, the State of Missouri did not comply with requirements regarding the following:

<b>Finding Number</b>	<b>AL Number(s)</b>	<b>Program (or Cluster) Name</b>	<b>Compliance Requirement(s)</b>
2022-001	93.767 93.775 93.777 93.778	Children's Health Insurance Program and Medicaid Cluster	Special Tests and Provisions

Compliance with such requirements is necessary, in our opinion, for the State of Missouri to comply with the requirements applicable to those programs.

***Other Matter - Federal Expenditures Not Included in the Compliance Audit***

The State of Missouri's basic financial statements include the operations of certain public universities and other component units, which expended federal awards that are not included in the State of Missouri's Schedule of Expenditures of Federal Awards for the year ended June 30, 2022. Our compliance audit, described in the Qualified and Unmodified Opinions section of our report, does not include the operations of these component units because they engaged other auditors to perform an audit of compliance, if required.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the State of Missouri's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State of Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State of Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State of Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the State of Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State of Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as finding numbers 2022-002, 2022-004 through 2022-006, and 2022-009. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the State of Missouri's responses to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The State of Missouri's response to each noncompliance finding consists of both the response and the corrective action plan. The state of Missouri's responses and corrective action plans were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

#### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a

deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as finding number 2022-001 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as finding numbers 2022-002, 2022-004 through 2022-006, and 2022-009 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the State of Missouri's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The State of Missouri's response to each internal control over noncompliance finding consists of both the response and the corrective action plan. The State of Missouri's responses and corrective action plans were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, pursuant to Section 29.200, RSMo, this report is a matter of public record and its distribution is not limited.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Missouri, as of and for the year ended June 30, 2022, and the related notes to financial statements, which collectively comprise the State of Missouri's basic financial statements. We issued our report thereon dated March 24, 2023, which contained qualified opinions on the governmental activities and the General Fund, a major fund, and unmodified opinions on all remaining opinion units.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Missouri's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in black ink, reading "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

June 30, 2023, except for our report  
on Schedule of Expenditures of  
Federal Awards, for which the date is  
March 24, 2023

State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
Department of Agriculture			
10.025	Plant and Animal Disease, Pest Control, and Animal Care	\$ 959,930	\$ -
10.069	Conservation Reserve Program	572,157	-
10.093	Voluntary Public Access and Habitat Incentive Program	459,047	-
10.125	Hazardous Waste Management	18,523	-
10.153	Market News	13,179	-
10.163	Market Protection and Promotion	26,400	-
10.170	Specialty Crop Block Grant Program - Farm Bill	470,472	456,214
10.171	Organic Certification Cost Share Programs	10,579	-
10.326	Capacity Building for Non-Land Grant Colleges of Agriculture (NLGCA)	10,974	-
10.351	Rural Business Development Grant	48,788	-
10.435	State Mediation Grants	14,477	-
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	1,332,643	-
10.479	Food Safety Cooperative Agreements	210,111	-
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program	78,711	-
10.535	SNAP Fraud Framework Implementation Grant	85,534	-
10.542	COVID-19 - Pandemic EBT Food Benefits	219,337,020	-
SNAP Cluster:			
10.551	COVID-19 - Supplemental Nutrition Assistance Program	117,346,099	-
10.551	Supplemental Nutrition Assistance Program	1,271,336,154	-
	Total Supplemental Nutrition Assistance Program	1,388,682,253	-
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	62,412,546	14,106,844
	Total SNAP Cluster	1,451,094,799	14,106,844
Child Nutrition Cluster:			
10.553	School Breakfast Program	125,528,803	125,528,803
10.555	COVID-19 - National School Lunch Program	34,404,817	34,404,817
10.555	National School Lunch Program	405,512,105	405,512,105
	Total National School Lunch Program	439,916,922	439,916,922
10.556	Special Milk Program for Children	259,419	259,419
10.559	Summer Food Service Program for Children	69,934,308	69,290,616
10.582	Fresh Fruit and Vegetable Program	2,717,663	2,717,663
	Total Child Nutrition Cluster	638,357,115	637,713,423
10.557	COVID-19 - WIC Special Supplemental Nutrition Program for Women, Infants, and Children	2,965,036	2,965,036
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	61,272,259	24,761,415
	Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children	64,237,295	27,726,451
10.558	COVID-19 - Child and Adult Care Food Program	5,223,296	5,223,296
10.558	Child and Adult Care Food Program	112,503,671	111,268,523
	Total Child and Adult Care Food Program	117,726,967	116,491,819
10.560	State Administrative Expenses for Child Nutrition	3,449,000	152,003
Food Distribution Cluster:			
10.565	COVID-19 - Commodity Supplemental Food Program	74,521	74,521
10.565	Commodity Supplemental Food Program	7,241,394	1,823,745
	Total Commodity Supplemental Food Program	7,315,915	1,898,266
10.568	COVID-19 - Emergency Food Assistance Program (Administrative Costs)	1,971,006	1,971,006
10.568	Emergency Food Assistance Program (Administrative Costs)	1,370,720	1,306,468
	Total Emergency Food Assistance Program (Administrative Costs)	3,341,726	3,277,474
10.569	Emergency Food Assistance Program (Food Commodities)	29,300,566	-
	Total Food Distribution Cluster	39,958,207	5,175,740
10.572	WIC Farmers' Market Nutrition Program (FMNP)	254,533	-
10.576	Senior Farmers Market Nutrition Program	267,312	-
10.578	WIC Grants To States (WGS)	536,728	-
10.579	Child Nutrition Discretionary Grants Limited Availability	402,520	388,846
10.649	COVID-19 - Pandemic EBT Administrative Costs	1,443,191	-
10.664	Cooperative Forestry Assistance	1,550,173	678,913
Forest Service Schools and Roads Cluster:			
10.665	Schools and Roads - Grants to States	3,207,927	3,207,927
	Total Forest Service Schools and Roads Cluster	3,207,927	3,207,927
10.674	Wood Utilization Assistance	10,000	10,000
10.676	Forest Legacy Program	11,160	-
10.680	Forest Health Protection	11,309	-
10.698	State & Private Forestry Cooperative Fire Assistance	364,150	364,150
10.902	Soil and Water Conservation	443,548	360,400
10.934	Feral Swine Eradication and Control Pilot Program	876,888	166,194
	Total Department of Agriculture	2,547,851,367	806,998,924

State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
Department of Defense			
12.U01	Excess Property Program	1,766,302	-
12.112	Payments to States in Lieu of Real Estate Taxes	1,108,661	1,108,661
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services	648,515	-
12.401	National Guard Military Operations and Maintenance (O&M) Projects	58,000,471	-
12.620	Troops to Teachers Grant Program	60,273	-
	Total Department of Defense	61,584,222	1,108,661
Department of Housing and Urban Development			
14.228	COVID-19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	360,455	360,455
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	40,862,091	39,149,269
	Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	41,222,546	39,509,724
14.231	COVID-19 - Emergency Solutions Grant Program	8,950,449	8,950,449
14.231	Emergency Solutions Grant Program	2,613,912	2,604,773
	Total Emergency Solutions Grant Program	11,564,361	11,555,222
14.241	COVID-19 - Housing Opportunities for Persons with AIDS	11,837	11,837
14.241	Housing Opportunities for Persons with AIDS	608,578	608,578
	Total Housing Opportunities for Persons with AIDS	620,415	620,415
14.267	Continuum of Care Program	12,063,217	-
	Total Department of Housing and Urban Development	65,470,539	51,685,361
Department of the Interior			
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	174,709	-
15.252	Abandoned Mine Land Reclamation (AMLR)	1,455,634	659,613
15.433	Flood Control Act Lands	4,977	4,977
15.438	National Forest Acquired Lands	2,300,396	2,300,396
	Fish and Wildlife Cluster:		
15.605	Sport Fish Restoration	7,753,253	142,760
15.611	Wildlife Restoration and Basic Hunter Education	20,567,312	-
	Total Fish and Wildlife Cluster	28,320,565	142,760
15.608	Fish and Wildlife Management Assistance	463,869	129,987
15.615	Cooperative Endangered Species Conservation Fund	143,864	99,596
15.622	Sportfishing and Boating Safety Act	153,875	153,875
15.634	State Wildlife Grants	1,124,803	-
15.684	White-nose Syndrome National Response Implementation	13,829	-
15.808	U.S. Geological Survey Research and Data Collection	53,718	-
15.810	National Cooperative Geologic Mapping	340,544	-
15.814	National Geological and Geophysical Data Preservation	65,777	-
15.904	Historic Preservation Fund Grants-In-Aid	864,207	132,327
15.916	Outdoor Recreation Acquisition, Development and Planning	1,649,703	772,205
15.978	Upper Mississippi River Restoration Long Term Resource Monitoring	340,442	-
15.980	National Ground-Water Monitoring Network	45,719	-
15.981	Water Use and Data Research	48	-
	Total Department of the Interior	37,516,679	4,395,736
Department of Justice			
16.U01	FBI Joint Terrorism Task Force	30,448	-
16.017	Sexual Assault Services Formula Program	506,518	488,748
16.034	COVID-19 - Coronavirus Emergency Supplemental Funding Program	1,006,228	843,082
16.540	Juvenile Justice and Delinquency Prevention	1,211,484	980,258
16.554	National Criminal History Improvement Program (NCHIP)	929,058	269,197
16.575	Crime Victim Assistance	51,534,658	49,882,687
16.576	Crime Victim Compensation	1,465,281	1,465,281
16.582	Crime Victim Assistance/Discretionary Grants	329,583	-
16.585	Drug Court Discretionary Grant Program	331,502	-
16.588	Violence Against Women Formula Grants	1,895,457	1,665,311
16.593	Residential Substance Abuse Treatment for State Prisoners	531,701	48,725
16.606	State Criminal Alien Assistance Program	27,993	-
16.609	Project Safe Neighborhoods	102,603	90,517
16.710	Public Safety Partnership and Community Policing Grants	231,377	-
16.738	Edward Byrne Memorial Justice Assistance Grant Program	3,569,234	3,086,652
16.741	DNA Backlog Reduction Program	462,027	-



State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	235,567	159,369
16.750	Support for Adam Walsh Act Implementation Grant Program	11,899	-
16.812	Second Chance Act Reentry Initiative	29,218	29,218
16.813	NICS Act Record Improvement Program	675,368	-
16.833	National Sexual Assault Kit Initiative	1,360,215	-
16.839	STOP School Violence	111,087	89,741
16.922	Equitable Sharing Program	149,627	-
	Total Department of Justice	66,738,133	59,098,786
Department of Labor			
17.002	Labor Force Statistics	835,652	-
17.005	Compensation and Working Conditions	299,963	-
	Employment Service Cluster:		
17.207	Employment Service/Wagner-Peyser Funded Activities	11,084,408	-
17.801	Jobs for Veterans State Grants	1,950,376	-
	Total Employment Service Cluster	13,034,784	-
17.225	COVID-19 - Unemployment Insurance	49,695,403	-
17.225	Unemployment Insurance	273,455,674	-
	Total Unemployment Insurance	323,151,077	-
17.235	Senior Community Service Employment Program	2,077,649	2,051,405
17.245	Trade Adjustment Assistance	1,981,046	-
	WIOA Cluster:		
17.258	WIOA Adult Program	12,680,103	10,103,904
17.259	WIOA Youth Activities	10,154,260	10,154,260
17.278	WIOA Dislocated Worker Formula Grants	11,832,233	10,938,886
	Total WIOA Cluster	34,666,596	31,197,050
17.261	WIOA Pilots, Demonstrations, and Research Projects	29,784	-
17.271	Work Opportunity Tax Credit Program (WOTC)	205,782	-
17.273	Temporary Labor Certification for Foreign Workers	137,219	-
17.277	COVID-19 - WIOA National Dislocated Worker Grants / WIA National Emergency Grants	644,002	-
17.277	WIOA National Dislocated Worker Grants / WIA National Emergency Grants	587,133	571,131
	Total WIOA National Dislocated Worker Grants / WIA National Emergency Grants	1,603,920	571,131
17.285	Apprenticeship USA Grants	510,012	207,690
17.504	Consultation Agreements	1,551,760	-
17.600	Mine Health and Safety Grants	432,378	-
17.804	Local Veterans' Employment Representative Program	1,231,654	-
	Total Department of Labor	381,376,491	34,027,276
Department of Transportation			
20.106	COVID-19 - Airport Improvement Program and COVID-19 Airports Programs	877,296	864,921
20.106	Airport Improvement Program and COVID-19 Airports Programs	42,628,775	42,628,775
	Total Airport Improvement Program and COVID-19 Airports Programs	43,506,071	43,493,696
20.200	Highway Research and Development Program	563,554	92,944
	Highway Planning and Construction Cluster:		
20.205	Highway Planning and Construction	895,119,416	86,237,458
20.219	Recreational Trails Program	1,077,359	954,644
20.224	Federal Lands Access Program	483,653	200,193
	Total Highway Planning and Construction Cluster	896,680,428	87,392,295
20.215	Highway Training and Education	148,552	-
	FMCSA Cluster:		
20.218	Motor Carrier Safety Assistance	8,442,721	6,107,372
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	663,962	-
	Total FMCSA Cluster	9,106,683	6,107,372
20.232	Commercial Driver's License Program Implementation Grant	43,425	-
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Effort	13,564	-
20.301	Railroad Safety	7,177	-
	Federal Transit Cluster:		
20.500	Federal Transit Capital Investment Grants	29,895	29,895
	Total Federal Transit Cluster	29,895	29,895
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	1,342,429	1,252,401
20.509	COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program	16,799,255	16,799,255
20.509	Formula Grants for Rural Areas and Tribal Transit Program	5,048,390	4,202,747
	Total Formula Grant for Rural Areas and Tribal Transit Program	21,847,645	21,002,002

State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
	Transit Services Programs Cluster:		
20.513	COVID-19 - Enhanced Mobility of Seniors and Individuals with Disabilities	926	926
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities	965,250	840,766
	Total Enhanced Mobility of Seniors and Individuals with Disabilities	966,176	841,692
	Total Transit Services Programs Cluster	966,176	841,692
20.528	Rail Fixed Guideway Public Transportation System State Safety Oversight Formula Grant	380,965	275,516
	Highway Safety Cluster:		
20.600	State and Community Highway Safety	6,197,538	5,143,008
20.616	National Priority Safety Programs	5,818,122	4,320,626
	Total Highway Safety Cluster	12,015,660	9,463,634
20.607	Alcohol Open Container Requirements	5,203,205	4,097,219
20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements	155,164	-
20.615	E-911 Grant Program	2,384,857	2,350,956
20.700	Pipeline Safety Program State Base Grant	572,866	-
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	459,517	329,178
20.720	State Damage Prevention Program Grants	46,054	-
20.721	PHMSA Pipeline Safety Program One Call Grant	8,155	-
20.933	National Infrastructure Investments	29,931,158	6,266,017
	Total Department of Transportation	1,025,413,200	182,994,817
	Department of the Treasury		
21.016	Equitable Sharing	83,727	-
21.019	COVID-19 - Coronavirus Relief Fund	140,302,082	496,712
21.023	COVID-19 - Emergency Rental Assistance Program	269,650,237	269,650,237
21.026	COVID-19 - Homeowner Assistance Fund	124,442,402	124,442,402
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	41,449,261	-
	Total Department of the Treasury	575,927,709	394,589,351
	Equal Employment Opportunity Commission		
30.001	Employment Discrimination Title VII of the Civil Rights Act of 1964	365,381	-
	Total Equal Employment Opportunity Commission	365,381	-
	General Services Administration		
39.003	Donation of Federal Surplus Personal Property	1,439,813	766,908
	Total General Services Administration	1,439,813	766,908
	National Endowment for the Arts		
45.025	COVID-19 - Promotion of the Arts Partnership Agreements	896,554	896,554
45.025	Promotion of the Arts Partnership Agreements	804,800	779,700
	Total Promotion of the Arts Partnership Agreements	1,701,354	1,676,254
45.301	Museums for America	2,672	-
45.310	COVID-19 - Grants to States	273,131	273,131
45.310	Grants to States	4,684,336	3,508,668
	Total Grants to States	4,957,467	3,781,799
	Total National Endowments for the Arts	6,661,493	5,458,053
	Small Business Administration		
59.061	State Trade Expansion	283,229	145,688
	Total Small Business Administration	283,229	145,688
	Department of Veterans Affairs		
64.005	COVID-19 - Grants to States for Construction of State Home Facilities	722,172	-
64.005	Grants to States for Construction of State Home Facilities	1,840,578	-
	Total Grants to States for Construction of State Home Facilities	2,562,750	-
64.015	Veterans State Nursing Home Care	50,975,416	-
64.024	VA Homeless Providers Grant and Per Diem Program	790,075	-
64.101	Burial Expenses Allowance for Veterans	1,248,846	-
64.115	Veterans Information and Assistance	466,351	-
	Total Department of Veterans Affairs	56,043,438	-
	Environmental Protection Agency		
66.032	State Indoor Radon Grants	105,054	-



State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	579,580	-
66.040	Diesel Emissions Reduction Act (DERA) State Grants	384,541	360,342
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	224,837	-
66.433	State Underground Water Source Protection	172,325	-
66.436	Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements- Sections 104(b)(3) of the Clean Water Act	35,801	35,801
66.442	Assistance for Small and Disadvantaged Communities Drinking Water Grant Program (SDWA 1459A)	40,934	40,934
66.444	Lead Testing in School and Child Care Program Drinking Water (SDWA 1464(d))	141,542	-
66.454	Water Quality Management Planning	512,809	177,621
66.458	Clean Water State Revolving Fund Cluster: Capitalization Grants for Clean Water State Revolving Funds	51,748,128	51,342,369
	Total Clean Water State Revolving Fund Cluster	51,748,128	51,342,369
66.460	Nonpoint Source Implementation Grants	675,964	485,092
66.468	Drinking Water State Revolving Fund Cluster: Capitalization Grants for Drinking Water State Revolving Funds	17,675,235	13,427,280
	Total Drinking Water State Revolving Fund Cluster	17,675,235	13,427,280
66.605	Performance Partnership Grants	13,692,279	58,592
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	1,821,323	471,621
66.804	Underground Storage Tank (UST) Prevention, Detection, and Compliance Program	513,917	63,680
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	871,081	7,938
66.817	State and Tribal Response Program Grants	948,137	-
66.818	Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	146,993	-
	Total Environmental Protection Agency	90,290,480	66,471,270
Department of Energy			
81.041	State Energy Program	759,139	-
81.042	Weatherization Assistance for Low-Income Persons	9,873,781	8,900,477
81.136	Long-Term Surveillance and Maintenance	42,980	-
81.138	State Heating Oil and Propane Program	2,026	-
	Total Department of Energy	10,677,926	8,900,477
Department of Education			
84.U01	National Assessment of Educational Progress	115,702	-
84.002	Adult Education - Basic Grants to States	8,557,739	7,666,082
84.010	Title I Grants to Local Educational Agencies	237,873,638	236,521,614
84.011	Migrant Education State Grant Program	1,007,606	999,265
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth	1,318,928	1,302,915
	Special Education Cluster (IDEA):		
84.027	Special Education Grants to States	236,367,712	215,914,711
84.173	Special Education Preschool Grants	5,981,056	5,981,056
	Total Special Education Cluster (IDEA)	242,348,768	221,895,767
84.032	Federal Family Education Loans	47,611,189	-
84.048	Career and Technical Education -- Basic Grants to States	24,290,406	22,529,448
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	67,651,755	-
84.144	Migrant Education Coordination Program	55,878	-
84.177	Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	662,224	-
84.181	Special Education-Grants for Infants and Families	8,562,060	-
84.184	School Safety National Activities (formerly, Safe and Drug-Free Schools and Communities- National Programs)	333,341	-
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities	198,038	-
84.196	Education for Homeless Children and Youth	1,260,964	1,257,675
84.224	Assistive Technology	303,510	303,510
84.287	Twenty-First Century Community Learning Centers	15,272,569	14,112,474
84.323	Special Education - State Personnel Development	1,034,390	-
84.325	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	119,817	-
84.326	Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	195,606	-
84.358	Rural Education	2,704,918	2,550,451
84.365	English Language Acquisition State Grants	4,914,442	4,664,642
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	35,997,466	33,259,227

State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
84.369	Grants for State Assessments and Related Activities	6,701,219	-
84.371	Comprehensive Literacy Development	1,860,460	-
84.377	School Improvement Grants	3,962,302	3,781,575
84.424	Student Support and Academic Enrichment Program	17,623,243	17,290,067
84.425C	COVID-19 - Governor's Emergency Education Relief (GEER) Fund	21,685,785	21,571,999
84.425D	COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	424,689,701	418,262,635
84.425R	COVID-19 - Coronavirus Response and Relief Supplemental Appropriations Act, 2021- Emergency Assistance to Non-Public Schools (CRRSA EANS)	46,930,108	3,337,158
84.425U	COVID-19 - American Rescue Plan-Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	333,956,271	333,956,271
	Total Education Stabilization Fund	827,261,865	777,128,063
84.426	Randolph-Sheppard - Financial Relief and Restoration Payments	267,416	-
	Total Department of Education	1,560,067,459	1,345,262,775
National Archives and Records Administration			
89.003	National Historical Publications and Records Grants	2,750	2,750
	Total National Archives and Records Administration	2,750	2,750
Elections Assistance Commission			
90.404	2018 HAVA Election Security Grants	807,011	36,759
	Total Elections Assistance Commission	807,011	36,759
Department of Health and Human Services			
93.041	Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	102,673	14,373
93.042	COVID-19 - Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	81,066	30,126
93.042	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	367,354	155,632
	Total Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	448,420	185,758
93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	249,496	229,218
	Aging Cluster:		
93.044	COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	911,976	911,976
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	9,143,517	8,726,330
	Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	10,055,493	9,638,306
93.045	COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	1,470,658	1,470,658
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	15,600,141	14,920,661
	Total Special Programs for the Aging, Title III, Part C, Nutrition Services	17,070,799	16,391,319
93.053	Nutrition Services Incentive Program	3,683,271	3,683,271
	Total Aging Cluster	30,809,563	29,712,896
93.052	COVID-19 - National Family Caregiver Support, Title III, Part E	94,563	94,563
93.052	National Family Caregiver Support, Title III, Part E	3,428,421	3,274,452
	Total National Family Caregiver Support, Title III, Part E	3,522,984	3,369,015
93.069	Public Health Emergency Preparedness	9,707,007	5,397,346
93.070	Environmental Public Health and Emergency Response	1,631,716	564,928
93.071	Medicare Enrollment Assistance Program	605,728	296,946
93.079	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	40,078	20,000
93.090	Guardianship Assistance	14,551,022	-
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program	972,996	580,859
93.093	Health Profession Opportunity Grants	1,137,264	1,125,855
93.103	Food and Drug Administration Research	1,789,562	-
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	504	-
93.110	Maternal and Child Health Federal Consolidated Programs	467,797	-
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	595,240	213,009
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	195,843	3,000
93.136	Injury Prevention and Control Research and State and Community Based Programs	4,083,187	2,050,267

State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
93.150	Projects for Assistance in Transition from Homelessness (PATH)	863,670	-
93.155	COVID-19 - Rural Health Research Centers	258,376	258,376
93.165	Grants to States for Loan Repayment	348,688	348,688
93.184	Disabilities Prevention	55,962	43,182
93.197	Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	464,378	-
93.234	Traumatic Brain Injury State Demonstration Grant Program	111,867	67,565
93.235	Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program	1,336,429	728,008
93.236	Grants to States to Support Oral Health Workforce Activities	134,050	-
93.240	COVID-19 - State Capacity Building	68,455	-
93.240	State Capacity Building	334,301	-
	Total State Capacity Building	402,756	-
93.241	State Rural Hospital Flexibility Program	491,603	363,902
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	5,095,164	94,714
93.251	Early Hearing Detection and Intervention	211,572	103,434
93.268	COVID-19 - Immunization Cooperative Agreements	24,142,500	14,044,575
93.268	Immunization Cooperative Agreements	76,123,754	297,486
	Total Immunization Cooperative Agreements	100,266,254	14,342,061
93.270	Viral Hepatitis Prevention and Control	122,811	-
93.301	COVID-19 - Small Rural Hospital Improvement Grant Program	440,469	440,469
93.301	Small Rural Hospital Improvement Grant Program	527,073	457,828
	Total Small Rural Hospital Improvement Grant Program	967,542	898,297
93.310	COVID-19 - Trans-NIH Research Support	1,661,225	49,362
93.314	Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	144,592	-
93.323	COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	109,855,746	61,623,857
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	1,501,884	107,180
	Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	111,357,630	61,731,037
93.324	State Health Insurance Assistance Program	1,044,044	-
93.336	COVID-19 - Behavioral Risk Factor Surveillance System	42,940	-
93.336	Behavioral Risk Factor Surveillance System	282,672	36,766
	Total Behavioral Risk Factor Surveillance System	325,612	36,766
93.345	Leading Edge Acceleration Projects (LEAP) in Health Information Technology	275,581	-
93.354	COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	4,395,831	3,292,726
93.366	State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	320,899	67,624
93.367	Flexible Funding Model - Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs	469,795	-
93.369	ACL Independent Living State Grants	415,537	327,994
93.387	National and State Tobacco Control Program	1,794,123	711,646
93.391	COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	946,833	885,137
93.426	Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	1,989,359	1,150,830
93.434	Every Student Succeeds Act/Preschool Development Grants	10,249,282	-
93.435	Innovative State and Local Public Health Strategies to prevent and Manage Diabetes and Heart Disease and Stroke	1,537,775	1,418,617
93.436	Well-Integrated Screening and Evaluation for Women Across the Nation (WISEWOMAN)	576,255	250,087
93.439	State Physical Activity and Nutrition (SPAN)	704,075	395,723
93.464	ACL Assistive Technology	582,167	343,544
93.471	Title IV-E Kinship Navigator Program	21,590	-
93.478	Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees	441,665	239,599
93.499	Low Income Household Water Assistance Program	3,192,102	1,600,637
93.556	MaryLee Allen Promoting Safe and Stable Families Program	7,265,538	-
93.558	Temporary Assistance for Needy Families	191,000,130	13,813,450
93.563	Child Support Enforcement	24,582,909	1,649,659
93.564	Child Support Enforcement Research	498,640	-
93.568	COVID-19 - Low-Income Home Energy Assistance	31,306,316	10,631,261
93.568	Low-Income Home Energy Assistance	108,376,293	52,056,061
	Total Low-Income Home Energy Assistance	139,682,609	62,687,322
93.569	COVID-19 - Community Services Block Grant	13,995,140	13,850,151
93.569	Community Services Block Grant	18,912,095	18,180,954
	Total Community Services Block Grant	32,907,235	32,031,105

State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
	CCDF Cluster:		
93.575	COVID-19 - Child Care and Development Block Grant	101,018,251	25,266,493
93.575	Child Care and Development Block Grant	104,826,097	100,616,415
	Total Child Care and Development Block Grant	205,844,348	125,882,908
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	68,502,800	43,026,058
	Total CCDF Cluster	274,347,148	168,908,966
93.586	State Court Improvement Program	483,532	-
93.590	COVID-19 - Community-Based Child Abuse Prevention Grants	495,000	495,000
93.590	Community-Based Child Abuse Prevention Grants	559,230	559,230
	Total Community-Based Child Abuse Prevention Grants	1,054,230	1,054,230
93.597	Grants to States for Access and Visitation Programs	185,009	91,490
93.599	COVID-19 - Chafee Education and Training Vouchers Program (ETV)	1,170,679	-
93.599	Chafee Education and Training Vouchers Program (ETV)	782,795	-
	Total Chafee Education and Training Vouchers Program (ETV)	1,953,474	-
93.603	Adoption and Legal Guardianship Incentive Payments	580,000	-
93.630	COVID-19 - Developmental Disabilities Basic Support and Advocacy Grants	71,072	-
93.630	Developmental Disabilities Basic Support and Advocacy Grants	1,289,701	-
	Total Developmental Disabilities Basic Support and Advocacy Grants	1,360,773	-
93.639	COVID-19 - Section 9813: State Planning Grants for Qualifying Community - Based Mobile Crisis Intervention Services	154,135	154,135
93.643	Children's Justice Grants to States	196,763	-
93.645	COVID-19 - Stephanie Tubbs Jones Child Welfare Services Program	593,637	-
93.645	Stephanie Tubbs Jones Child Welfare Services Program	11,098,293	-
	Total Stephanie Tubbs Jones Child Welfare Services Program	11,691,930	-
93.658	Foster Care Title IV-E	62,766,910	44,763
93.659	Adoption Assistance	65,761,701	-
93.665	COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	1,844,882	-
93.667	Social Services Block Grant	51,369,005	17,437,233
93.669	Child Abuse and Neglect State Grants	804,091	-
93.671	COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	92,184	92,184
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	1,879,070	1,799,698
	Total Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	1,971,254	1,891,882
93.674	COVID-19 - John H. Chafee Foster Care Program for Successful Transition to Adulthood	2,558,920	-
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood	2,455,752	-
	Total John H. Chafee Foster Care Program for Successful Transition to Adulthood	5,014,672	-
93.686	Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B	364,118	11,485
93.747	Elder Abuse Prevention Interventions Program	302,263	-
93.758	Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	1,571,783	488,646
93.767	Children's Health Insurance Program	305,692,367	-
	Medicaid Cluster:		
93.775	State Medicaid Fraud Control Units	1,589,727	-
93.777	COVID-19 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	1,375,383	-
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	17,879,507	-
	Total State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	19,254,890	-
93.778	COVID-19 - Medical Assistance Program	714,995,139	-
93.778	Medical Assistance Program	9,284,323,744	2,769,135
	Total Medical Assistance Program	9,999,318,883	2,769,135
	Total Medicaid Cluster	10,020,163,500	2,769,135
93.788	Opioid STR	23,321,477	-
93.791	Money Follows the Person Rebalancing Demonstration	3,209,809	-
93.817	Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	2	-
93.870	Maternal, Infant and Early Childhood Home Visiting Grant	2,105,455	-
93.876	Antimicrobial Resistance Surveillance in Retail Food Specimens	154,382	-
93.889	COVID-19 - National Bioterrorism Hospital Preparedness Program	1,270,189	880,106
93.889	National Bioterrorism Hospital Preparedness Program	3,385,482	1,911,335
	Total National Bioterrorism Hospital Preparedness Program	4,655,671	2,791,441
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	3,852,448	2,669,830
93.913	Grants to States for Operation of State Offices of Rural Health	196,756	17,700
93.917	HIV Care Formula Grants	21,334,554	20,650,790

State of Missouri  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

AL Number	Federal Grantor Agency - Program or Cluster Name	Federal Awards Expended	Amount Provided to Subrecipients
93.940	HIV Prevention Activities Health Department Based	5,452,470	3,322,980
93.945	Assistance Programs for Chronic Disease Prevention and Control	291,407	278,436
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	117,517	2,912
93.958	COVID-19 - Block Grants for Community Mental Health Services	6,061,961	-
93.958	Block Grants for Community Mental Health Services	8,443,974	-
	Total Block Grants for Community Mental Health Services	14,505,935	-
93.959	COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse	11,065,725	-
93.959	Block Grants for Prevention and Treatment of Substance Abuse	27,028,104	-
	Total Block Grants for Prevention and Treatment of Substance Abuse	38,093,829	-
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	1,686,087	224,531
93.981	COVID-19 - Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	296,866	212,152
93.981	Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	233,787	231,752
	Total Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	530,653	443,904
93.982	COVID-19 - Mental Health Disaster Assistance and Emergency Mental Health	5,761,163	-
93.982	Mental Health Disaster Assistance and Emergency Mental Health	3,010,286	-
	Total Mental Health Disaster Assistance and Emergency Mental Health	8,771,449	-
93.991	Preventive Health and Health Services Block Grant	1,461,200	107,480
93.994	Maternal and Child Health Services Block Grant to the States	9,526,921	4,908,104
	Total Department of Health and Human Services	11,669,326,797	471,964,635
Corporation for National and Community Service			
94.003	COVID-19 - State Commissions	101,306	101,306
94.003	State Commissions	2,439,650	2,351,600
	Total State Commissions	2,540,956	2,452,906
94.006	AmeriCorps	1,272,243	878,327
94.008	Commission Investment Fund	2,382,423	2,319,551
	Total Corporation for National and Community Service	6,195,622	5,650,784
Executive Office of the President			
95.001	High Intensity Drug Trafficking Areas Program	3,092,486	2,518,879
	Total Executive Office of the President	3,092,486	2,518,879
Social Security Administration			
	Disability Insurance/SSI Cluster:		
96.001	Social Security Disability Insurance	45,327,066	-
	Total Disability Insurance/SSI Cluster	45,327,066	-
	Total Social Security Administration	45,327,066	-
Department of Homeland Security			
97.008	Non-Profit Security Program	38,715	38,715
97.012	Boating Safety Financial Assistance	2,308,294	-
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)	225,411	-
97.029	Flood Mitigation Assistance	479,013	459,390
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	163,784,348	93,976,435
97.039	Hazard Mitigation Grant	4,096,566	3,335,013
97.041	National Dam Safety Program	70,671	-
97.042	Emergency Management Performance Grants	6,433,977	3,869,988
97.045	Cooperating Technical Partners	6,567,081	-
97.047	BRIC: Building Resilient Infrastructure and Communities	6,798,746	6,798,746
97.050	COVID-19 - Presidential Declared Disaster Assistance to Individuals and Households - Other Needs	92,296	-
97.056	Port Security Grant Program	365,896	-
97.067	Homeland Security Grant Program	7,230,703	5,653,318
97.082	Earthquake Consortium	46,785	-
	Total Department of Homeland Security	198,538,502	114,131,605
Total Expenditures of Federal Awards		\$ 18,410,997,793	\$ 3,556,209,495

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.



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# State of Missouri - Single Audit

## Notes to the Schedule of Expenditures of Federal Awards

### Year Ended June 30, 2022

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#### 1. Significant Accounting Policies

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The following is a summary of the significant accounting policies used by the State of Missouri.

*A. Purpose of Schedule and Reporting Entity*

The accompanying Schedule of Expenditures of Federal Awards (Schedule) of the State of Missouri is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the U.S. Office of Management and Budget (OMB) 2022 Compliance Supplement. The Schedule is not a required part of the State's basic financial statements. The Uniform Guidance requires a schedule that shows total federal awards expended for each federal financial assistance program, the Assistance Listing, and the total amount provided to subrecipients from each federal program. Federal financial assistance programs that have not been assigned an Assistance Listing are identified as Assistance Listing Number XX.Uxx, where XX represents the federal grantor agency and Uxx represents an unknown extension number. Appendix VII of the supplement states that expenditures of federal awards made under the Coronavirus Preparedness and Response Supplemental Appropriations Act, the Families First Coronavirus Response Act, the Coronavirus Aid, Relief and Economic Security Act (CARES Act), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the American Rescue Plan Act (ARP) should be identified separately on the schedule with the inclusion of the prefix "COVID-19-" in the name of the federal program.

The Schedule includes all federal awards expended by the State during the year ended June 30, 2022, except for those programs administered by public universities and other component units, which are legally separate from the State and audited by other auditors. They are responsible for engaging other auditors to perform audits in accordance with the Uniform Guidance, if required.

To compile the Schedule, the Office of Administration required each department, agency, and office that expended direct and/or indirect federal funding during the state fiscal year to prepare a schedule of expenditures of federal awards. The schedules for the departments, agencies, and offices were combined to form the Schedule of Expenditures of Federal Awards for the State of Missouri.

*B. Basis of Presentation*

The accompanying Schedule includes the federal award activity of the State of Missouri for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance, which defines federal awards as federal financial assistance and cost-reimbursement contracts that non-federal entities receive or administer in the form of grants, loans, loan guarantees, non-cash assistance, property (including donated surplus property), cooperative agreements, interest



State of Missouri - Single Audit  
Notes to the Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include other contracts that a federal agency uses to buy goods or services from a contractor. Because the Schedule presents only a selected portion of the operations of the State, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the State.

*C. Basis of Accounting*

Most expenditures presented in the Schedule are reported on the cash basis of accounting, while some are presented on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance; wherein certain types of expenditures are not allowable or are limited as to reimbursement.

*D. Indirect Cost Rate*

For the fiscal year ending June 30, 2022, one agency, the Department of Agriculture, elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

## **2. Unemployment Insurance Expenditures**

The Unemployment Insurance program (Assistance Listing No. 17.225) is administered by the Department of Labor and Industrial Relations through a unique federal-state partnership that was founded upon federal law but implemented through state law. Benefits are paid from federal funds and state unemployment taxes that are deposited into the state's account in the Federal Unemployment Trust Fund. The State's administrative expenditures incurred under this program are funded by federal grants. For the purposes of presenting the expenditures of this program in the Schedule, both state and federal funds have been considered federal awards expended. The breakdown of the state and federal portions of the total program expenditures for the fiscal year ended June 30, 2022, is as follows:

State Portion (Benefits Paid)	\$ 221,081,478
Federal Portion (Benefits Paid)	1,849,231
Federal Portion (Administrative Costs)	50,524,965
Federal Portion (Benefits Paid) - CARES Act Related	41,150,850
Federal Portion (Federal Reimbursement of Waiting Week) - CARES Act Related	363,367
Federal Portion (Administrative Costs) - CARES and Families First Coronavirus Response Act Related	8,181,185
<b>Total Program Expenditures</b>	<b>\$ 323,151,076</b>



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### **3. Special Supplemental Nutrition Program for Women, Infants and Children (WIC) Rebates**

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The State received cash rebates from an infant formula manufacturer totaling \$27,928,970 on sales of formula to participants in the WIC program (Assistance Listing No. 10.557) administered by the Department of Health and Senior Services (DHSS). This amount was excluded from total program expenditures. Rebate contracts with infant formula manufacturers are authorized by 7 CFR Section 246.16a as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. The State was able to extend program benefits to more persons than could have been served this fiscal year in the absence of the rebate contract.

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### **4. Medical Assistance Program (Medicaid) and Children's Health Insurance Program (CHIP) Prescription Drug Rebates**

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The State received cash rebates from drug manufacturers totaling \$583,261,949 (federal share) on purchases of covered outpatient drugs for participants in the Medicaid and the CHIP (Assistance Listing Nos. 93.778 and 93.767) administered by the Department of Social Services - MO HealthNet Division. This amount was excluded from total program expenditures. Rebate contracts with drug manufacturers are authorized by 42 USC Section 1396r-8 as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for medical assistance costs.

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### **5. HIV Care Formula Grants Prescription Drug Rebates**

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The State received cash rebates from drug manufacturers totaling \$29,796,629 on purchases of covered drugs for participants in the HIV Care Formula Grants program (Assistance Listing No. 93.917) administered by the DHSS. If program expenditures are available, the rebates will offset the program expenditures resulting in a reduction in expenditures incurred by the program. Of the amount of rebates received, \$19,453,719 reduced total program expenditures and these expenditures were not reported on the SEFA. The remaining rebates of \$10,342,910 did not offset program expenditures and were not used to reduce program expenditures. The allowable use of drug rebates is restricted by 42 USC Section 300ff-26(g).

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### **6. Federal Loan Guarantees**

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Because of the Healthcare and Education Affordability Reconciliation Act enacted March 30, 2010 (Public Law 111-152), the authority to make or ensure loans under the Federal Family Education Loans program (Assistance Listing No. 84.032) ended June 30, 2010. The Department of Higher Education and Workforce Development (DHEWD) has continued to act as the federal Department of Education's agent in fulfilling the responsibilities





State of Missouri - Single Audit  
Notes to the Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

related to the outstanding guarantees. The original principal outstanding of all loans guaranteed by the DHEWD was \$578,392,690 as of June 30, 2022. The balance of defaulted loans (including principal and accrued interest) that the federal Department of Education imposed continuing compliance requirements of the DHEWD was \$172,054,733 as of June 30, 2022.

Per Dear Colleague Letter GEN-21-03, guarantors were directed to halt collection of defaulted student loans and set interest rates to 0 percent through at least September 30, 2021 due to the COVID-19 National Emergency. The change was retroactive to March 13, 2020, requiring refunds of all involuntary payments and accrued interest. The Biden Administration extended the collection pause and 0 percent interest rate several times, with the final pause ending June 30, 2023.

The Missouri Student Loan Program ended effective September 30, 2022. This was due primarily to the cessation of collections retroactive to March 13, 2020, per Dear Colleague Letter GEN-21-03. Without collections, the Federal Reserve Fund and Operating Fund have dwindled steadily. All Missouri Student Loans guaranteed by the DHEWD were transferred to Educational Credit Management Corporation (ECMC) October 1, 2022. As of September 30, 2022, the original principal outstanding of all loans transferred was \$524,732,720. The balance of defaulted loans (including principal and accrued interest) transferred to ECMC on the same date was \$178,847,367.

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## 7. Non-cash Assistance

The Schedule contains values for non-cash assistance for several programs.

Supplemental Nutrition Assistance Program and Pandemic EBT Program expenditures totaling \$1,608,019,273 (\$1,388,682,253 for Assistance Listing No. 10.551 and \$219,337,020 for Assistance Listing No. 10.542) represent actual disbursements for client purchases of authorized food products through the use of the electronic benefits card program administered by the Department of Social Services - Family Support Division (DSS-FSD).

The Department of Elementary and Secondary Education distributes food commodities to school districts under the National School Lunch Program (Assistance Listing No. 10.555). Distributions are valued at the cost of the food paid by the federal government and totaled \$32,138,022.

The DSS-FSD, through the Summer Food Service Program for Children (Assistance Listing No. 10.559), provides United States Department of Agriculture (USDA)-donated foods to providers who serve free healthy meals to children and teens in low-income areas during the summer months when school is not in session. The DSS-FSD, through the Emergency Food Assistance Program (Food Commodities) (Assistance Listing No. 10.569),



State of Missouri - Single Audit  
Notes to the Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

provides USDA-donated foods for disaster relief and to six non-profit food banks for distribution to food pantries and community groups for feeding those in need. Distributions are valued at the federally assigned value of the product distributed and totaled \$97,871 for the Summer Food Service Program for Children and \$29,300,566 for the Emergency Food Assistance Program.

The DHSS distributes food commodities to low-income persons under the Commodity Supplemental Food Program (Assistance Listing No. 10.565). Distributions are valued at the cost of the food paid by the federal government and totaled \$5,314,579.

The Department of Public Safety distributes excess federal Department of Defense (DOD) equipment to state and local law enforcement agencies under the DOD Excess Property Program (Assistance Listing No. 12.U01). Property distributions totaled \$7,567,705 when valued at the historical cost assigned by the federal government. Distributions are presented at the estimated fair market value of the property at the time of distribution, calculated as 23.34 percent of the historical cost, or \$1,766,302.

The State Agency for Surplus Property distributes federal surplus property to eligible donees under the Donation of Federal Surplus Personal Property program (Assistance Listing No. 39.003). Property distributions totaled \$6,168,864 when valued at the historical cost assigned by the federal government. Distributions are presented at the estimated fair market value of the property at the time of distribution, calculated as 23.34 percent of the historical cost, or \$1,439,813.

The DHSS distributes vaccines to local health agencies and other health care professionals under the Immunization Cooperative Agreements program (Assistance Listing No. 93.268). Distributions are valued at the cost of the vaccines paid by the federal government and totaled \$72,572,524.

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## 8. Other Non-cash Assistance

The Schedule does not contain donations for non-cash assistance provided without any compliance or reporting requirements or Assistance Listing information from the donors.

The State Emergency Management Agency received donated personal protective items from the Federal Emergency Management Agency for activities related to the COVID-19 pandemic. Donated items are valued at the fair market value at time of donation and totaled \$469,703 and are unaudited.

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# State of Missouri - Single Audit

## Schedule of Findings and Questioned Costs

### Year Ended June 30, 2022

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#### Section I - Summary of Auditor's Results

##### Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Qualified

Unmodified for all opinion units except for the governmental activities and the General Fund, which were qualified.

Internal control over financial reporting:

- Material weaknesses identified?        yes   X   no
- Significant deficiencies identified?   X   yes        none reported

Noncompliance material to financial statements noted?        yes   X   no

##### Federal Awards

Internal control over major federal programs:

- Material weaknesses identified?   X   yes        no
- Significant deficiencies identified?   X   yes        none reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified for all major programs except for the following major programs that were qualified:

AL

<u>Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.767	Children's Health Insurance Program, modified for Special Tests and Provisions
93.775, 93.777, 93.778	Medicaid Cluster, modified for Special Tests and Provisions

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance (2 CFR 200.516(a))?

  X   yes        no



State of Missouri - Single Audit  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022

Identification of major federal programs:

AL Number(s)	Name of Federal Program or Cluster
10.542	Pandemic EBT Food Benefits
10.551	SNAP Cluster
10.561	
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii
21.023	Emergency Rental Assistance Program
21.026	Homeowner Assistance Fund
21.027	Coronavirus State and Local Fiscal Recovery Funds
64.015	Veterans State Nursing Home Care
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States
84.425C	Education Stabilization Fund
84.425D	
84.425R	
84.425U	
93.268	Immunization Cooperative Agreements
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
93.569	Community Services Block Grant
93.667	Social Services Block Grant
93.767	Children's Health Insurance Program
93.775	Medicaid Cluster
93.777	
93.778	
93.917	HIV Care Formula Grants
93.959	Block Grants for Prevention and Treatment of Substance Abuse
96.001	Social Security Disability Insurance

Dollar threshold used to distinguish  
between Type A and Type B programs: \$30,000,000

Auditee qualified as a low-risk auditee? \_\_\_\_\_ yes   X   no



State of Missouri - Single Audit  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022

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## Section II - Financial Statement Findings

The findings related to the financial statement audit are reported in the Comprehensive Annual Financial Report - Report on Internal Control, Compliance, and Other Matters (Report No. 2023-022<sup>3</sup>). That report included the following findings:

FS2022-001. Department of Revenue Financial Reporting Controls

FS2022-002. Department of Social Services Financial Reporting Controls -  
Medicaid Payments

FS2022-003. Department of Social Services Financial Reporting Controls -  
Medicaid Accounts Receivable

FS2022-004. Department of Social Services Financial Reporting Controls -  
Accounts Payable

FS2022-005. Department of Natural Resources Financial Reporting Controls

FS2022-006. Office of Secretary of State Financial Reporting Controls

FS2022-007. Department of Labor and Industrial Relations Financial  
Reporting Controls

FS2022-008. Office of Administration Financial Reporting Controls - Fund  
Balance Classifications

FS2022-009. Office of Administration SAM II Transaction Approvals

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<sup>3</sup>See report at <<https://auditor.mo.gov/AuditReport/ViewReport?report=2023022>>.



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## Section III - Federal Award Findings and Questioned Costs

### 2022-001. Medicaid National Correct Coding Initiative

Federal Agency:	Department of Health and Human Services (DHHS)
Federal Program:	93.767 Children's Health Insurance Program 2021 - 2105MO5021 2022 - 2205MO5021 93.778 COVID-19 - Medical Assistance Program 93.778 Medical Assistance Program 2021 - 2105MO5MAP and 2105MO5ADM 2022 - 2205MO5MAP and 2205MO5ADM
State Agency:	Department of Social Services (DSS) - MO HealthNet Division (MHD)
Type of Finding:	Internal Control (Material Weakness) and Noncompliance

As noted in our 2 previous audits,<sup>4</sup> the MHD did not fully implement the Medicaid National Correct Coding Initiative (NCCI) edits in the Medicaid Management Information System (MMIS) as required. During the year ended June 30, 2022, the MHD made Medical Assistance Program (Medicaid) and Children's Health Insurance Program (CHIP) payments, subject to NCCI edits, totaling approximately \$8.9 billion.

The DSS contracts for the operation and maintenance of the MMIS. Medical providers submit fee-for-service claims for services provided to Medicaid and CHIP participants in the MMIS, and payments are made through the MMIS. To help ensure only allowable claims are paid, system edit checks flag and/or deny payment on suspicious or unusual claims. Section 6507 of the Affordable Care Act (Section 1903(r) of the Social Security Act<sup>5</sup>) requires the MHD to completely and correctly implement specific NCCI methodologies and edits into the MMIS. The purpose of the NCCI is to promote correct coding, prevent coding errors, prevent coding manipulation, and reduce improper payments. The DHHS - Centers for Medicare and Medicaid Services (CMS) published the Medicaid NCCI Policy Manual and the Medicaid NCCI Technical Guidance Manual to provide specific requirements and assist state Medicaid agencies to implement the NCCI methodologies.

The two NCCI edit categories are Procedure-to-Procedure (PTP) edits that are designed to identify pairs of procedure codes that should not be reported together; and Medically Unlikely Edits (MUE) that limit the number of units of service allowed for certain services and items. The DHHS-CMS provides

<sup>4</sup>See single audit reports at <<https://auditor.mo.gov/AuditReport/Reports?SearchLocalState=35>>, finding numbers 2021-004 and 2020-002.

<sup>5</sup> Title 42 USC 1396b(r).



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PTP and MUE edit files to the MHD quarterly. Each quarterly edit file contains all current edits and replaces the previously provided edit file. Section 7 of the Medicaid NCCI Technical Guidance Manual requires the MHD to implement the edit files into the MMIS on the first day of each quarter. If the applicable edit files are not implemented by the first day of the second month of the quarter, the MHD is required to reprocess any claims processed with outdated edits once the updates are implemented.

During the year ended June 30, 2022, rather than quarterly implementation, the MHD through the MMIS contractor implemented the PTP edit files annually; and the MHD did not reprocess claims upon implementation of the edits. For example, the MMIS contractor implemented the PTP edit file for the quarter ended March 31, 2022, in January 2022; and the MHD did not implement the prior quarters' edit files or reprocess claims paid for the quarters ended June 30, 2021, September 30, 2021, and December 31, 2021, with the updated edits. In addition, the MHD had not implemented any of the MUE edit files received. MHD officials indicated they worked with the MMIS contractor to fully implement both the PTP and MUE edits effective July 1, 2022, for claims processed in the quarter ended September 30, 2022. However, these changes were effective after the period covered by the audit.

In addition to noncompliance with Section 6507 of the Affordable Care Act, the failure to fully implement the NCCI edits and reprocess claims paid with incorrect edits increases the risk that coding errors or irregularities will go undetected, and improper payments will be made. To ensure compliance with the NCCI requirements, the MHD should establish internal controls over NCCI edits. Rule 45 CFR Section 75.303(a) requires the non-Federal entity to "[e]stablish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award."

Recommendation

The DSS through the MHD continue to strengthen controls over the NCCI requirements to ensure NCCI edits are fully implemented and reprocess claims paid when edits are not implemented timely, as required.

Auditee's Response

*We agree with the auditor's finding. Our Corrective Action Plan includes our planned actions to address the finding.*

**2022-002.  
Medicaid and CHIP  
MAGI-Based Participant  
Eligibility**

Federal Agency:	Department of Health and Human Services (DHHS)
Federal Program:	93.767 Children's Health Insurance Program
	2021 - 2105MO5021
	2022 - 2205MO5021
	93.778 COVID-19 - Medical Assistance Program
	93.778 Medical Assistance Program
	2021 - 2105MO5MAP and 2105MO5ADM





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	2022 - 2205MO5MAP and 2205MO5ADM
State Agency:	Department of Social Services (DSS) - MO HealthNet Division (MHD) and Family Support Division (FSD)
Type of Finding:	Internal Control (Significant Deficiency) and Noncompliance

As similarly noted in our 3 previous audits,<sup>6</sup> the DSS does not have sufficient controls to ensure compliance with the eligibility requirements of the Medical Assistance Program (Medicaid) and the Children's Health Insurance Program (CHIP) for certain participants whose eligibility is based on their Modified Adjusted Gross Income (MAGI). The DSS did not correct manual system overrides for some MAGI-based participants, preventing their cases from being closed when necessary. Of the approximately 1.3 million Medicaid and CHIP participants as of June 30, 2022, approximately 942,000 were MAGI-based participants.

To ensure MAGI-based participants continue to be eligible for benefits, 42 CFR Section 435.916 requires a redetermination of eligibility once every 12 months, or when circumstances affecting a participant's eligibility change. The regulation requires termination of benefits when a participant no longer meets eligibility requirements. On March 19, 2020, the eligibility redetermination and most termination requirements were temporarily suspended in response to the COVID-19 Public Health Emergency (PHE). All validly enrolled participants on March 19, 2020, were to remain continuously enrolled except for participants who requested removal, moved out of state, or died. Subsequent to the audit period, the PHE and related requirement suspensions were lifted. Effective April 1, 2023, the DSS is required to initiate redeterminations within 12 months, and complete redeterminations within 14 months for all participants.

The Medicaid Eligibility Determination and Enrollment System (MEDES), implemented in January 2014, tracks eligibility information for MAGI-based participants, including redetermination due dates; and in some cases, performs redeterminations. Non-automatic redeterminations for MAGI-based participants are performed manually by FSD eligibility specialists. Eligibility information is transferred from the MEDES into the Medicaid Management System (MMIS), the Medicaid claims payment system, nightly. To ensure continuous enrollment during the PHE, the DSS programmed the MEDES to continue coverage effective March 18, 2020, except in the case of a participant's death, an out-of-state move, or voluntary closure. For some exceptions, the MEDES automatically closes the case. For other exceptions,

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<sup>6</sup>See single audit reports at <<https://auditor.mo.gov/AuditReport/Reports?SearchLocalState=35>>, finding numbers 2021-005, 2020-003, and 2019-005.





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an FSD eligibility specialist manually records the reason for closure and initiates closure of the participant's case in the MEDES.

MEDES operations have been problematic since implementation and manual overrides to individual cases to compensate for previous system errors and limitations were not corrected. DSS officials explained there was a period of time when the MEDES was incorrectly closing some eligible cases before a redetermination could be performed. To prevent affected cases from being closed, DSS personnel manually overrode system controls. However, once these system limitations were corrected in June 2017, the DSS did not remove the previously-established manual overrides, which prevented the system from taking automatic actions such as identifying cases needing redetermination and closing cases.

In response to prior audit recommendations, DSS officials indicated they developed a report to identify MEDES participants with overdue redeterminations due to these system problems. However, the DSS did not review all of these participants to ensure they remained eligible and did not meet one of the exceptions requiring termination during the PHE. As a result, cases for participants with manual overrides that did not meet eligibility requirements prior to and/or during the PHE, may not have been closed. Our random sample of 60 MAGI-based participants that were continuously enrolled during the year ended June 30, 2022, did not identify any participants with previously-established overrides.

The DSS Corrective Action Plan (CAP) and Summary Schedule of Prior Audit Findings for finding number 2021-005 state the DSS has processes in place to terminate eligibility for individuals who are deceased, voluntarily request closure, or report they have moved out of state. However, these processes have not been applied to all participant cases with manual system overrides needing closure. Missouri's system testing plan relating to the PHE unwinding processes, submitted to the DHHS - Centers for Medicare and Medicaid Services (CMS), states after the PHE is lifted, on April 1, 2023, the DSS plans to begin removing the manual overrides and performing redeterminations for these participants.

The failure to implement adequate internal controls to ensure ineligible participant cases are closed can result in Medicaid and CHIP payments being made on behalf of ineligible individuals, which would be unallowable costs of the federal programs. Rule 45 CFR Section 75.303(a) requires the non-federal entity to "[e]stablish and maintain effective internal controls over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award."



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Recommendation

The DSS through the MHD and the FSD review and correct cases for participants with manual overrides in the MEDES, ensure redeterminations are completed for these participants as required, and close the cases of any ineligible participants. In addition, the DSS should ensure system controls are functioning as designed for these participants.

Auditee's Response

*We disagree with the auditor's finding. Our Corrective Action Plan includes an explanation and specific reasons for our disagreement.*

Auditor's Comment

The DSS Corrective Action Plan (CAP) states the DSS disagrees there is a significant deficiency in internal controls because no participants with manual overrides were identified in the audit sample. However, the State Auditor's Office feels it is important to note the internal control weaknesses associated with these participants, which have existed for many years, remain regardless of whether any of these participants are selected in the audit sample of 60 of the approximately 942,000 participants. The CAP states the DSS has processes in place to terminate eligibility for individuals who are deceased, voluntarily request closure, or report they have moved out of state. However, as noted in the finding, these processes have not been applied to all participant cases with manual system overrides, and instead of proactively reviewing cases as recommended, the DSS is merely reacting when information is provided to them. Although recommended in the prior 3 audits, the DSS has not performed a review for all of these cases. Until the manual overrides are corrected and/or applicable participants reviewed, there will be continued circumvention of established internal controls and risk of improper payments on these cases. Therefore, this finding is valid.

**2022-003.**  
**Medicaid and CHIP**  
**Eligibility Determination**  
**Timeliness**

Federal Agency:	Department of Health and Human Services
Federal Program:	93.767 Children's Health Insurance Program 2021 - 2105MO5021 2022 - 2205MO5021
	93.778 COVID-19 - Medical Assistance Program
	93.778 Medical Assistance Program 2021 - 2105MO5MAP and 2105MO5ADM 2022 - 2205MO5MAP and 2205MO5ADM
State Agency:	Department of Social Services (DSS) - MO HealthNet Division (MHD) and Family Support Division (FSD)
Type of Finding:	Noncompliance

The DSS did not perform eligibility determinations within required timeframes for participants of the Medical Assistance Program (Medicaid) and the Children's Health Insurance Program (CHIP). There were approximately 1.3 million Medicaid and CHIP participants as of June 30, 2022.



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The FSD is responsible for determining the eligibility of Medicaid and CHIP participants. FSD eligibility specialists perform the majority of eligibility determinations using participants' Modified Adjusted Gross Income (MAGI). For the remaining non-MAGI participants, including participants in the MO HealthNet Aged, Blind, and Disabled programs, eligibility is not based on their MAGI. As of June 30, 2022, there were approximately 942,000 MAGI-based participants and approximately 369,000 non-MAGI-based participants.

To ensure applicants are able to receive necessary medical care timely, 42 CFR Section 435.912(c)(3) requires new Medicaid eligibility determinations be made within 45 days of application and within 90 days of application for applicants who apply for benefits on the basis of disability. Rule 42 CFR Section 435.912(e) allows exceptions to these timeframes in certain unusual circumstances, such as a doctor's delay. Rule 42 CFR Section 457.340(d) requires the same timeliness standards for CHIP participants.

To test compliance with eligibility requirements, we reviewed randomly-selected samples of 60 MAGI-based participants, of which 55 were new enrollments, and 60 non-MAGI-based participants, all of which were new enrollments, subject to the timeliness requirements. The DSS did not meet timeliness requirements for 30 of the 55 MAGI-based eligibility determinations (55 percent) and 10 of the 60 non-MAGI-based determinations (17 percent). The 40 late determinations were made 2 to 144 days after the required 45 or 90-day requirement, and averaged 68 days late.

DSS officials indicated increased workloads hindered the department's ability to process applications within required timeframes during the year ended June 30, 2022. They also indicated a backlog of eligibility determinations for the Medicaid Adult Expansion Group, a new population that became eligible with the Medicaid expansion effective as of July 1, 2021, occurred due to the volume of new applications and litigation that prevented processing of the applications until October 2021. DSS officials stated there were also increased workloads associated with annual open enrollment applications from the federal Health Insurance Marketplace.

In addition to noncompliance with federal requirements, the failure to ensure determinations are performed timely can result in potentially eligible participants not receiving necessary medical care.

## Recommendation

The DSS through the MHD and the FSD ensure participant eligibility is determined within required timeframes.

## Auditee's Response

*We agree with the auditor's finding. Our Corrective Action Plan includes our planned actions to address the finding.*



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**2022-004.**

**Department of Social  
Services Cost Allocation**

Federal Agency:	Department of Health and Human Services
Federal Program:	93.090 Guardianship Assistance 2021 - 2101MOGARD 2022 - 2201MOGARD
	93.558 Temporary Assistance for Needy Families 2021 - 2101MOTANF 2022 - 2201MOTANF
	93.658 Foster Care Title IV-E 2021 - 2101MOFOST 2022 - 2201MOFOST
	93.659 Adoption Assistance 2021 - 2101MOADPT 2022 - 2201MOADPT
	93.667 Social Services Block Grant 2021 - 2101MOSOSR 2022 - 2201MOSOSR
	93.778 Medical Assistance Program 2021 - 2105MO5ADM 2022 - 2205MO5ADM
State Agency:	Department of Social Services (DSS) - Division of Finance and Administrative Services (DFAS)
Type of Finding:	Internal Control (Significant Deficiency)

DFAS controls and procedures to allocate some administrative costs to federal programs were not sufficient to prevent and/or detect errors. Our testing of AlloCAP system allocations identified an error in 1 cost allocation methodology. For the year ended June 30, 2022, costs totaling approximately \$38.5 million were incorrectly allocated to 6 programs. As a result, approximately \$10.2 million (federal share) was allocated to state funding, that could have been allocated to federal funding for 4 programs.

The DFAS uses the AlloCAP system to identify, measure, and allocate costs to state and federal programs in accordance with its Public Assistance Cost Allocation Plan (PACAP). Each quarter, DFAS personnel import expenditure data from the state's accounting system into the AlloCAP system, which allocates costs to programs through allocation methodologies outlined in the department's PACAP.

The DSS uses the random moment time studies (RMTS) allocation method (as outlined in the PACAP) to allocate various administrative costs including salaries, benefits, and other operational costs. As part of this process, randomly-selected Children's Division staff are contacted by email at random moments and asked to record what program/activity they are engaged in at that moment. These surveyed time results are used to approximate the proportion of the administrative costs that apply to the various programs. In addition, the DSS uses quarterly penetration rates to further allocate the costs



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to the programs. The penetration rate for a given program reflects the percentage of federally-eligible children served by the state, compared to the total number of children served by the state. During the year ended June 30, 2022, administrative costs totaling approximately \$127.8 million were allocated through the RMTS allocation method to 6 programs through the AlloCAP system: Social Services Block Grant (SSBG), Temporary Assistance for Needy Families (TANF), Guardianship Assistance, Foster Care, Adoption Assistance, and the Medical Assistance Program.

Our testing noted the RMTS cost allocation methodology, and use of quarterly penetration rates, were not configured in the AlloCAP system correctly. This resulted in over-allocation of costs to the SSBG program and under-allocation of costs to the other programs during the year ended June 30, 2022, as shown in the following table.

Program Name	Over-allocation	Under-allocation	Under-allocation (Federal Share)
Social Services Block Grant	\$ 38,528,349	0	0
Temporary Assistance for Needy Families	0	18,499,881	0
Adoption Assistance	0	2,338,147	1,169,074
Foster Care	0	16,881,717	8,590,613
Guardianship Assistance	0	438,450	219,225
Medical Assistance Program	0	370,154	190,107
Total	\$ 38,528,349	38,528,349	10,169,019

DFAS officials indicated when developing the AlloCAP system, they intended the RMTS cost allocation methodology to mirror the previous manual allocation process; however, a configuration error was made and not detected by the DFAS. After we notified the DFAS of the errors, the DFAS updated the RMTS cost allocation methodology, and use of quarterly penetration rates. The DFAS then used the updated methodology to revise previous quarters' AlloCAP results, including administrative allocations. Finally, the DFAS resolved the 4 programs with under-allocations (federal share) by requesting increasing adjustments totaling \$21.6 million, in each program's September 30, 2022, and December 31, 2022, quarterly expenditure reports. These adjustments included the approximately \$10.2 million for the year ended June 30, 2022, plus another approximately \$11.4 million for the year ended June 30, 2021.

DSS personnel indicated it was unnecessary to revise the federal reports for the SSBG and TANF programs because allocations for those grants were already fully expended. Because significant portions of those programs are state-funded, the allocation errors could be applied to state funding portions. We do not question any federal costs associated with the errors identified in this finding because the resulting over-allocations were not attributable to federal funding.



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Without adequate internal controls and procedures over the allocation of administrative costs, there is increased risk that DFAS staff will not properly allocate an appropriate share of costs to federal programs, and that errors will not be detected timely. In addition, cost allocation methodology errors could result in over-allocation of costs and potentially unallowable costs. Rule 45 CFR Section 75.303(a) requires the non-federal entity to "[e]stablish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award."

Recommendation

The DSS through the DFAS continue to strengthen internal controls and procedures over the PACAP and the AlloCAP system to ensure costs are properly allocated to federal programs.

Auditee's Response

*We partially agree with the auditor's finding. Our Corrective Action Plan includes an explanation and specific reasons for our disagreement and any planned actions to address the finding.*

Auditor's Comment

The DSS Corrective Action Plan (CAP) states the DSS partially agrees with the finding because the calculation error was the result of an isolated error that occurred during design and development of the new cost allocation system, effective October 2017. The CAP further states this error is not indicative of the strength of current internal controls. While the error noted was isolated to the costs allocated through the RMTS allocation method, those costs are significant, totaling over \$127 million and allocated to 6 different programs during the year ended June 30, 2022, alone. Furthermore, the fact that neither the DSS's original development effort in 2017, nor ongoing internal controls and procedures (from October 2017 through June 2022) detected this error, indicates there were internal control weaknesses associated with the design and testing of the system as well as reviews of system calculations. The DSS is responsible for ensuring adequate controls are in place to detect errors and ensure costs are properly allocated to federal programs. Therefore, this finding is valid.

If this cost allocation issue had not been identified during the audit, approximately \$10 million could have continued to be spent each year from state taxpayer funds instead of claimed to federal funding sources.

**2022-005.**  
**Pandemic Electronic**  
**Benefit Transfer Food**  
**Benefits**

Federal Agency:	United States Department of Agriculture (USDA)
Federal Program:	10.542 COVID-19 - Pandemic Electronic Benefit Transfer Food Benefits (P-EBT)
State Agency:	Department of Social Services (DSS) - Family Support Division (FSD)





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Type of Finding:	Internal Control (Significant Deficiency) and Noncompliance
Questioned Costs:	\$1,010

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DSS controls over the P-EBT program were insufficient to prevent improper benefit issuances on behalf of school children. Our audit sample of payments for 60 school children noted the DSS issued benefits on behalf of one ineligible child and made overpayments on behalf of another child. During the year ended June 30, 2022, the DSS issued P-EBT program benefits totaling approximately \$75 million on behalf of approximately 78,000 school children and approximately \$144 million on behalf of approximately 163,000 children in child care.

The objective of the P-EBT program is to provide nutrition assistance on EBT cards for school children who would have received free or reduced price school meals under the National School Lunch Program and School Breakfast Program had their schools not been closed or operating with reduced hours due to the COVID-19 public health emergency. The P-EBT program similarly provides benefits for Supplemental Nutrition Assistance Program-enrolled children in child care.

The Families First Coronavirus Response Act, Pub. L. 116-127, Section 1101, requires P-EBT program benefits be issued in accordance with the state's approved plan. For benefits for school children, the DSS and the Department of Elementary and Secondary Education jointly developed a plan for the administration of the P-EBT program for the 2020-2021 school year and a plan amendment for the summer 2021 period. The plan and 2 plan amendments were approved by the USDA in June 2021, August 2021, and September 2021, respectively; and the DSS began issuing P-EBT program benefits in July 2021. Under the state's plan, the DSS would receive from all school districts in the state: (1) surveys indicating the extent of school closures in the district due to COVID-19 for each month during the school year, and (2) listings of students eligible for free or reduced price meals during the school year. Pursuant to the plan, the DSS required parents to submit applications<sup>7</sup> for benefits, and established procedures to verify the applications to the listings obtained from the school districts, determine benefit amounts for each eligible child, and issue P-EBT program benefits to households with eligible children. Eligible participants were entitled to receive \$129.58 per month of virtual learning and/or \$77.75 per month of hybrid (mixed) learning. For the summer period, each eligible child was entitled to the standard summer benefit of \$375 despite the school's operating status during the school year.

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<sup>7</sup>The applications contained information about the child, child's school district, and household.



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To test compliance with the plan's provisions for school children, we reviewed a randomly-selected sample of P-EBT program payments for 60 school children, totaling \$31,009. The DSS made improper payments for 2 of 60 participants reviewed (3 percent). The DSS issued benefits totaling \$596 for one ineligible child who was not included in the listing of children eligible for free or reduced priced meals, and issued benefits for another child totaling \$414 in excess of amounts the child was entitled to receive. DSS officials indicated processing errors were made without detection for both children. We question the unallowable benefits totaling \$1,010 (100 percent federal share) issued on behalf of these children.

Without adequate internal controls, the DSS cannot ensure that P-EBT program benefits are issued in accordance with the approved state plan. Rule 2 CFR Section 200.303(a) requires the nonfederal entity to "[e]stablish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award."

## Recommendation

The DSS through the FSD strengthen internal controls to ensure P-EBT program benefit issuances are in accordance with the state plan, and review and correct the overpayments for the children identified in this finding.

## Auditee's Response

*We agree with the auditor's finding. Our Corrective Action Plan includes our planned actions to address the finding.*

### 2022-006. DSS FFATA Reporting

Federal Agency	Department of Health and Human Services (DHHS)
Federal Program:	93.667 Social Services Block Grant (SSBG) 2021 - 2101MOSOSR 2022 - 2201MOSOSR
State Agency:	Department of Social Services (DSS) - Division of Finance and Administrative Services (DFAS)
Type of Finding:	Internal Control (Significant Deficiency) and Noncompliance

As similarly noted in our previous audit,<sup>8</sup> the DFAS needs to strengthen internal controls related to Federal Funding Accountability and Transparency Act (FFATA) reporting. During state fiscal year 2022, the DFAS did not comply with FFATA reporting requirements for any of the subawards reviewed for the SSBG program. During state fiscal year 2022, the DSS

<sup>8</sup>See single audit report at <<https://auditor.mo.gov/AuditReport/ViewReport?report=2022043>>, finding number 2021-008.





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disbursed approximately \$7 million in first-tier subawards<sup>9</sup> to 20 subrecipients of the SSBG program. First-tier subaward payments accounted for approximately 14 percent of the program's expenditures.

The FFATA requires comprehensive reporting for certain federal awards to promote transparency and accountability over the use of the federal funds. Rule 2 CFR Part 170, Appendix A, requires the DFAS to report first-tier subawards of \$30,000 or more to the FFATA Subaward Reporting System (FSRS) no later than the end of the month following the month in which the subaward was made. Information entered into the FSRS is publicly available at USASpending.gov.

Internal controls

DFAS policies and procedures over the FFATA reporting process require supervisory review of the information uploaded to the FSRS, but do not require the supervisors maintain documentation of reviews performed.

DFAS personnel prepare a monthly Excel spreadsheet of data from various sources including contracts and federal funding disclosure information sheets. DFAS personnel transfer the spreadsheet data to the federal FSRS template, and upload the data to the FSRS. Various subaward data is uploaded, including the entity name, award amount, and the date issued. DFAS personnel could not provide documentation supporting the supervisory reviews performed, but indicated they intend to implement documented reviews during the state fiscal year 2023.

Without documented supervisory reviews over FFATA reporting, the DFAS cannot demonstrate adherence to the established policies and procedures, and there is less assurance the information included in the FFATA reporting is complete and accurate. Rule 2 CFR Section 200.303(a) requires the non-federal entity to "[e]stablish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award."

FFATA reporting

The DFAS did not comply with FFATA reporting requirements for the SSBG program. To test compliance with FFATA reporting requirements, we reviewed a sample of subawards for 2 of the 20 SSBG subrecipients, totaling \$1,952,465, awarded in state fiscal year 2022. Neither of the subawards were uploaded to the FSRS timely. The DSS entered into grant agreements with the subrecipients during July 2020 for the 2-year period of July 1, 2020, through June 30, 2022. DFAS personnel indicated they were required to report these subawards no earlier than November 2020 and November 2021,

<sup>9</sup>First-tier subawards are federal awards made to non-federal entities by the prime award recipient, in this case the DSS, on behalf of the federal awarding agency, the DHHS.



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when they received the corresponding grants. However, DFAS personnel did not upload the subawards to the FSRS until August 2021 and February 2022, 9 months and 3 months later, respectively.

DFAS personnel indicated the FFATA reporting delays occurred because of staff turnover, federal government delays in uploading grant information into the FSRS, and FSRS limitations associated with changes in personnel who have system access. They indicated the DSS cannot prepare FFATA reports until the federal awarding agency first enters the federal award information into the FSRS; and since the DSS does not receive notification of this event, the DSS must continually check the system for updates. In addition to noncompliance with federal requirements, not reporting subawards to the FSRS timely increases the risk that those using the reports could rely on inaccurate information.

Recommendation

The DSS through the DFAS strengthen internal controls related to FFATA reporting by having supervisors maintain documentation of reviews performed of the information reported to the FSRS. In addition, the DFAS should timely complete FFATA reporting in accordance with the applicable requirements.

Auditee's Response

*We partially agree with the auditor's finding. Our Corrective Action Plan includes an explanation and specific reasons for our disagreement and any planned actions to address the finding.*

Auditor's Comment

The DSS Corrective Action Plan (CAP) states the DSS does not agree that documentation of supervisory reviews directly correlates to strong internal controls. The CAP further states the DSS adheres to formalized procedures for FFATA reporting, which includes managerial oversight and contends documented reviews may be preferred but are not required by regulation. However, without requiring documentation of supervisory reviews performed, the DSS cannot demonstrate adherence to the established policies and procedures. Additionally, the noncompliance identified in this audit and the previous audit is an indicator that DSS internal controls may not be operating as intended. Because effective internal controls include documentation demonstrating the controls are operating in accordance with the established internal control system, this finding is valid.

**2022-007.**  
**Medicaid Facility Survey**  
**Timeliness**

Federal Agency:	Department of Health and Human Services (DHHS)
Federal Program:	93.777 COVID-19 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	2020, 2021, and 2022 - TITLE XVIII



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2020, 2021, and 2022 - TITLEXIXSS

2021 and 2022 - CLIA

2021 and 2022 - TITLE18CRS

2021 and 2022 - XVIIIIMPAC

State Agency: Department of Health and Senior Services (DHSS) -  
Section for Long-Term Care Regulations (SLCR)

Type of Finding: Noncompliance

As similarly noted in our prior audit report,<sup>10</sup> the SLCR did not perform facility survey procedures within required timeframes. In our test of compliance with facility survey requirements for the year ended June 30, 2022, we noted some Statement of Deficiencies and Plan of Corrections were sent 11 to 26 days after survey exit instead of within 10 days, and some facility revisits were completed between 61 and 82 days instead of within 60 days of the initial survey date.

The DHSS is the state survey agency charged with inspecting providers of the Medical Assistance Program (Medicaid), including hospitals, nursing facilities, and other long-term care facilities. Under 42 CFR Section 431.108, as a basis for participation in Medicaid, providers are subject to survey and certification by the DHSS - Centers for Medicare and Medicaid Services (DHSS-CMS) or the DHSS to ensure providers and suppliers are in compliance with regulatory health and safety standards and conditions of participation. During the year ended June 30, 2022, the DHSS through the SLCR surveyed 527 providers, including 514 long-term care nursing facilities and 13 intermediate care facilities for individuals with intellectual disabilities.

The DHSS-CMS provides the State Operations Manual (SOM) to state agencies as guidelines for the survey and certification of providers. SOM Chapter 2, Section 2728, requires the state agency to mail the provider a copy of Form CMS-2567 (Statement of Deficiencies and Plan of Correction) within 10 working days after the survey exit. In addition, SOM Chapter 7, Section 7317.2, requires onsite revisits for long-term care nursing facilities to occur any time between the last correction date on the plan of correction and the 60th day from the survey date to confirm the facility is in substantial compliance, and in certain cases, has the ability to remain in substantial compliance.

To test compliance with survey and certification requirements, we randomly selected 35 long-term care nursing facilities surveys, and 5 intermediate care facilities for individuals with intellectual disabilities surveys, performed between July 1, 2021, and June 30, 2022. Of 22 surveys that required a

<sup>10</sup>See single audit report at <<https://auditor.mo.gov/AuditReport/Reports?SearchLocalState=35>>, finding number 2021-013.



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Statement of Deficiencies and Plan of Correction, 8 statements (36 percent) were sent to facilities between 11 and 26 working days after the survey exit instead of within 10 working days as required. In addition, of the 19 long-term care nursing facilities that required a revisit, the revisits to 4 facilities (21 percent) were completed between 61 and 82 days after the initial survey date instead of within 60 days as required.

DHSS officials indicated there were multiple contributing factors for these delays including DHSS staffing shortages, industry labor shortages, insufficient federal funding, and increased workloads due to increased volume and complexity of complaints received and the backlog of surveys due. DHSS officials further stated they are working to request additional staff and increased salaries, and to contract with outside survey companies to help with the increased workload and backlog.

Conducting survey procedures within required timeframes helps to ensure providers are timely notified of deficiencies requiring correction so that timely follow up on those deficiencies can occur to provide assurance facilities are providing services to their clients that are in compliance with health and safety standards and conditions of participation.

Recommendation

The DHSS through the SLCR ensure survey procedures are conducted within required timeframes.

Auditee's Response

*We agree with the auditor's finding. Our Corrective Action Plan includes our planned actions to address the finding.*

**2022-008.**  
**ELC Program Subrecipient**  
**Monitoring**

Federal Agency:	Department of Health and Human Services
Federal Program:	93.323 COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
	93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
	2020, 2021, and 2022 - NU50CK000546
State Agency:	Department of Health and Senior Services (DHSS) - Division of Community and Public Health (DCPH)
Type of Finding:	Noncompliance

As similarly noted in our prior audit report,<sup>11</sup> the DCPH did not adequately monitor ELC program subrecipient contracts during the year ended June 30, 2022. In our review of a sample of 21 contracts requiring financial monitoring reviews, we noted 7 had not been completed as of June 30, 2022.

<sup>11</sup> See single audit report at <<https://auditor.mo.gov/AuditReport/Reports?SearchLocalState=35>>, finding number 2021-010.



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Rule 2 CFR Section 200.332(d) requires pass-through entities to monitor the activities of subrecipients as necessary to ensure the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals. Pass-through entities are required to follow up and ensure the subrecipient takes timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means. The DHSS, as a pass-through entity, disbursed approximately \$61.7 million among 219 ELC program subrecipient contracts during the year ended June 30, 2022.

In response to the prior finding, the DCPH developed a monitoring plan for ELC program subrecipients, hired additional staff, and began performing monitoring reviews during the year ended June 30, 2022. The monitoring plan requires annual risk assessments, quarterly progress reviews, and completion of a financial monitoring review once during the contract period. If deficiencies are found during the monitoring review, the monitoring plan requires the subrecipient to submit a written corrective action plan to the DCPH, and the DCPH to follow up on the corrective action plan.

Due to the delayed implementation of the monitoring plan, the DCPH did not perform all required financial monitoring reviews of ELC program subrecipients during state fiscal year 2022. Our review of a randomly-selected sample of contracts for 21 of the 219 ELC program subrecipient contracts<sup>12</sup> requiring financial monitoring reviews noted risk assessments had been performed for all contracts; however, financial monitoring reviews had not been completed as of June 30, 2022, for 7 contracts (33 percent). We noted financial monitoring reviews were subsequently performed in state fiscal year 2023 for all 7 contracts included in the sample. DCPH officials indicated the delayed implementation of subrecipient monitoring procedures was due to the rapid distribution of COVID-19 funding to subrecipients and insufficient staffing, but they intend to have all reviews completed by March 2024.

When subrecipient monitoring procedures are not performed timely and in accordance with monitoring plan requirements, there is increased risk that noncompliance with program requirements will go undetected.

## Recommendation

The DHSS through the DCPH continue to implement and perform financial monitoring reviews in accordance with the ELC program monitoring plan.

## Auditee's Response

*We agree with the auditor's finding. Our Corrective Action Plan includes our planned actions to address the finding.*

<sup>12</sup> Our sample represented 10 percent of the population.



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**2022-009.**  
**DESE FFATA Reporting**

Federal Agency: Department of Education (ED)  
Federal Program: 84.425C COVID-19 - Governor's Emergency  
Education Relief (GEER) Fund  
2020 - S425C100016  
2021 - S425C100016  
84.425R COVID-19 - Emergency Assistance for  
Non-Public Schools (EANS)  
2021 - S425R210052  
State Agency: Department of Elementary and Secondary Education  
(DESE)  
Type of Finding: Internal Control (Significant Deficiency) and  
Noncompliance

The DESE needs to strengthen internal controls related to Federal Funding Accountability and Transparency Act (FFATA) reporting for the Education Stabilization Fund.<sup>13</sup> As similarly noted in our previous audit,<sup>14</sup> during state fiscal year 2022, the DESE did not comply with FFATA reporting requirements for any of the subawards reviewed for the GEER Fund or the EANS program. In addition, the DESE has not made corrections and resubmitted state fiscal year 2021 FFATA reports for the GEER Fund grants.

The FFATA requires comprehensive reporting for certain federal awards to promote transparency and accountability over the use of the federal funds. Rule 2 CFR Part 170, Appendix A, requires the DESE to report first-tier subawards<sup>15</sup> of \$30,000 or more to the FFATA Subaward Reporting System (FSRS) no later than the end of the month following the month in which the subaward was made. Information entered into the FSRS is publicly available at [USASpending.gov](https://USASpending.gov).

The GEER Fund grants were initially awarded to the Governor's office. The Office of Administration (OA), on behalf of the Governor's office, entered into an interagency agreement with the DESE and the Department of Higher Education and Workforce Development (DHEWD), designating the DESE as the fiscal agent for the GEER Fund for the State of Missouri. The DESE draws down and disburses the funds to the DESE subrecipients (Local Education Agencies [LEAs]) and to the DHEWD. The DHEWD disburses funds to the DHEWD subrecipients (Institutions of Higher Education [IHEs]). The GEER interagency agreement states the DESE shall manage all reporting requirements by collecting information and data including data

<sup>13</sup>The Education Stabilization Fund consists of several programs, including the GEER Fund and the EANS program.

<sup>14</sup>See single audit report at <https://auditor.mo.gov/AuditReport/ViewReport?report=2022043>, finding number 2021-016.

<sup>15</sup>First-tier subawards are federal awards made to non-federal entities by the prime award recipient, in this case the DESE, on behalf of the federal awarding agency, the ED.





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from the DHEWD and the OA. For the EANS program, the DESE received the grant on behalf of the Governor's office, was designated the fiscal agent, and disbursed funds to the LEAs. During state fiscal year 2022, the DESE and the DHEWD disbursed approximately \$21.6 million of first-tier subawards to 348 subrecipients of the GEER Fund and the DESE disbursed approximately \$3.3 million in first-tier subawards to 82 subrecipients of the EANS program. First-tier subaward payments accounted for approximately 99 percent of the GEER Fund expenditures and 7 percent of the EANS program expenditures.

Internal controls

DESE policies and procedures over the FFATA reporting process require supervisory review of the information uploaded to the FSRS, but do not require the supervisors maintain documentation of reviews performed.

DESE personnel prepare an excel spreadsheet of the awards allocated to subrecipients, transfer the spreadsheet data to the federal FSRS template, and upload the data to the FSRS. Various subaward data is uploaded, including the entity name, award amount, and the date issued. DESE personnel could not provide documentation supporting the supervisory reviews performed, but indicated they intend to implement documented reviews during state fiscal year 2023.

Without documented supervisory review over FFATA reporting, the DESE cannot demonstrate adherence to the established policies and procedures, and has less assurance the information included in the FFATA reporting for the Education Stabilization Fund is complete and accurate. Rule 2 CFR Section 200.303(a) requires the non-federal entity to "[e]stablish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award."

FFATA reporting

The DESE did not comply with FFATA reporting requirements for the GEER Fund and the EANS program.

To test compliance with FFATA reporting requirements for the GEER Fund and the EANS program, we reviewed the FSRS reports submitted by DESE personnel during state fiscal year 2022. For the GEER Fund, the DESE did not report any of the 81 LEA subawards requiring FFATA reporting, totaling approximately \$9.7 million, or the 22 IHE subawards, totaling approximately \$12 million, in the FSRS. Instead, the DESE incorrectly reported as subawards, the allocations by the Governor's office to the DESE and the DHEWD. For the EANS program, the DESE did not report any of the 9 subawards requiring FFATA reporting, totaling approximately \$3.7 million, in the FSRS. Instead, the DESE incorrectly reported as a subaward, the grant award received by the DESE on behalf of the Governor's office. All of these



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errors occurred prior to auditors identifying and communicating similar errors during the state fiscal year 2021 audit. Additionally, the DESE made some corrections to FFATA reports; however, as of April 2023, the DESE had not resubmitted fully corrected state fiscal year 2021 FFATA reports for the GEER Fund grants.

DESE personnel indicated the FFATA reporting errors occurred due to a misunderstanding of FFATA reporting requirements as well as the unusual nature of the GEER Fund and EANS program allocations. DESE personnel also indicated they have been working with the ED since April 2022 in an effort to correct the erroneous FFATA reports; however, due to technical difficulties with the FSRS, they have been unable to timely and fully correct the reports. In addition to noncompliance with federal requirements, not reporting subawards to the FSRS accurately and timely increases the risk that those using the reports could rely on inaccurate information.

## Recommendation

The DESE strengthen internal controls related to FFATA reporting by having supervisors maintain documentation of reviews performed of the information reported in the FSRS for the Education Stabilization Fund. In addition, the DESE should complete FFATA reporting for the Education Stabilization Fund programs in accordance with the applicable requirements and continue to work toward resubmitting corrected reports for state fiscal years 2021 and 2022.

## Auditee's Response

*We agree with the auditor's finding. Our Corrective Action Plan includes our planned actions to address the finding.*

## Additional State Auditor's Reports

The Missouri State Auditor's Office regularly issues audit reports on various programs, agencies, and divisions of the state. Audit reports may include issues related to the administration of federal programs. We reviewed the reports issued from May 2022 to May 2023 and the following reports relate to federal programs.

Report Number	Report Name
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2023-001	Statewide Accounting System Internal Controls
2022-090	Department of Conservation Data Security

All reports are available on the Missouri State Auditor's Office website: <http://auditor.mo.gov>.



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# State of Missouri - Single Audit

## Summary Schedule of Prior Audit Findings

### Year Ended June 30, 2022

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The Uniform Guidance requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all audit findings included in the prior audit's Schedule of Findings and Questioned Costs. The schedule is also to report the status of findings included in the prior audit's Summary Schedule of Prior Audit Findings, except those that were corrected, no longer valid, or not warranting further action.

The Uniform Guidance requires the auditor to follow up on prior audit findings; perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and report, as a current year audit finding, when the auditor concludes the schedule materially misrepresents the status of any prior audit finding.



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**Michael L. Parson**  
Governor



**Kenneth J. Zellers**  
Commissioner

State of Missouri  
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Division of Accounting  
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**Stacy Neal**  
Director

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

The Uniform Guidance requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all audit findings included in the prior audit's Schedule of Findings and Questioned Costs. The Schedule is also to report the status of findings included in the prior audit's Summary Schedule of Prior Audit Findings, except those that were corrected, no longer valid, or not warranting further action.

The attached documents are the Summary Schedule of Prior Audit Findings for the year ended June 30, 2022, and includes all findings from the audit for the Fiscal Year ended June 30, 2021, and certain findings from the audits for the Fiscal Years ended June 30, 2020, 2019, 2018, 2017, 2016, and 2015.

These documents were prepared by the applicable State agencies as noted with each prior year finding.



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**2021-001A.**                      DED Subrecipient Determination and Monitoring

**Federal Agency:**            Department of the Treasury  
**Federal Program:**        21.023 COVID-19 - Emergency Rental Assistance Program  
**State Agency:**            Department of Economic Development (DED)

Improvements were needed in the DED's internal controls related to subrecipient determinations. The DED had not established policies and procedures to determine if the recipients of federal program funds are subrecipients or contractors. Additionally, the DED made an inaccurate determination and did not classify the Missouri Housing Development Corporation as a subrecipient. The assessment performed to make this determination was not documented.

**Recommendation:**

The DED develop and implement procedures regarding subrecipient determinations and ensure a determination is made when program funds are disbursed to determine if the recipient of the funds is a subrecipient or a vendor.

**Status of Finding:**

Corrective Action was taken.

**Contact Person:**            Stacey Hirst  
**Phone Number:**            (573) 526-7863



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**2021-001B.**                      DED Subrecipient Determination and Monitoring

**Federal Agency:**            Department of the Treasury  
**Federal Program:**        21.023 COVID-19 - Emergency Rental Assistance Program  
**State Agency:**            Department of Economic Development (DED)

The DED did not comply with certain Uniform Guidance subrecipient monitoring requirements for the Emergency Rental Assistance (ERA) Program. The DED did not implement a subrecipient monitoring program to monitor the Missouri Housing Development Commission (MHDC), the sole subrecipient. The DED did not perform a risk assessment of the MHDC to determine the extent of monitoring necessary and did not monitor the MHDC for compliance with various ERA Program requirements. Additionally, the DED did not follow up on and ensure the MHDC took appropriate action to address the deficiency identified in MHDC's Single Audit related to approximately \$1 million in questioned costs and did not issue a management decision related to the deficiency as required by federal regulations.

**Recommendation:**

The DED formally assess and document each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring. Additionally, develop a subrecipient monitoring program that includes ensuring the subrecipient is compliant with program and relevant legal provisions and appropriate monitoring of subrecipient audit findings related to the program.

**Status of Finding:**

Corrective Action was taken.

**Contact Person:**        Stacey Hirst  
**Phone Number:**        (573) 526-7863



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**2021-002.**

DED SEFA

**Federal Agency:** Department of the Treasury  
**Federal Program:** 21.023 COVID-19 - Emergency Rental Assistance Program  
21.026 COVID-19 - Homeowner Assistance Fund  
**State Agency:** Department of Economic Development (DED)

The expenditures reported on the DED's schedule of expenditures of federal awards (SEFA) submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the statewide SEFA for the year ended June 30, 2021, were misstated.

**Recommendation:**

The DED ensure an accurate SEFA is prepared and submitted to the DOA.

**Status of Finding:**

Corrective Action was taken.

**Contact Person:** Stacey Hirst  
**Phone Number:** (573) 526-7863



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**2021-003A.**                      DED Performance and FFATA Reporting

**Federal Agency:**            Department of the Treasury  
**Federal Program:**        21.023 COVID-19 - Emergency Rental Assistance Program  
**State Agency:**            Department of Economic Development (DED)

The DED did not establish an internal control system over required federal reporting of the Emergency Rental Assistance (ERA) Program and did not identify a significant inaccuracy in a quarterly performance report. The DED contracted with Missouri Housing Development Commission (MHDC) to submit the ERA Program performance reports on the DED's behalf. The DED did not review the reports prepared by MHDC until after the reports had been submitted, and this review was not documented. The quarterly report inaccurately stated the MHDC was a contractor instead of a subrecipient.

**Recommendation:**

The DED develop an internal control system over federal reporting requirements for the ERA Program and ensure reports are submitted accurately.

**Status of Finding:**

Corrective Action has been taken. DED has made contact with the U.S. Treasury and is working with them and MHDC to resolve the reporting issue going forward.

**Contact Person:**        Stacey Hirst  
**Phone Number:**        (573) 526-7863



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**2021-003B.**                      DED Performance and FFATA Reporting

**Federal Agency:**        Department of the Treasury  
**Federal Program:**      21.023 COVID-19 - Emergency Rental Assistance Program  
**State Agency:**        Department of Economic Development (DED)

The DED did not take the appropriate steps to ensure the required Federal Funding Accountability and Transparency Act (FFATA) reporting occurred. The Treasury did not submit the FFATA report for the Emergency Rental Assistance Program due to the inaccuracy on the DED's first quarter performance report.

**Recommendation:**

The DED take the steps necessary to ensure the FFATA reporting requirements are met.

**Status of Finding:**

Corrective Action has been taken. DED made contact with the U.S. Treasury and is working with them and MHDC to correct the reports going forward.

**Contact Person:**        Stacey Hirst  
**Phone Number:**        (573) 526-7863





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**2021-004.**                      Medicaid National Correct Coding Initiative

**Federal Agency:**        Department of Health and Human Services  
**Federal Program:**        93.767 Children's Health Insure Program  
                                  93.778 COVID-19 - Medical Assistance Program  
                                  93.778 Medical Assistance Program  
**State Agency:**         Department of Social Services (DSS) - MO HealthNet Division (MHD)  
**Similar Finding:**        2020-002

The MHD had not fully implemented the Medicaid National Correct Coding Initiative (NCCI) edits in the Medicaid Management Information System (MMIS) as required by Section 6507 of the Affordable Care Act (Section 1903(r) of the Social Security Act<sup>1</sup>). Rather than quarterly implementation, the MHD through the MMIS contractor implemented the Procedure-to-Procedure edit files annually; and the MHD did not reprocess claims upon implementation of the edits. In addition, the MHD had not implemented any of the Medically Unlikely Edits files received.

**Recommendation:**

The DSS through the MHD strengthen controls over the NCCI requirements to ensure NCCI edits are fully implemented and reprocess claims paid when edits are not implemented timely, as required.

**Status of Findings:**

The MHD has fully implemented the Medicaid National Correct Coding Initiative (NCCI) edits in the Medicaid Management Information System (MMIS) as required by Section 6507 of the Affordable Care Act (Section 1903(r) of the Social Security Act<sup>2</sup>) effective July 1, 2022. All edit files are now updated quarterly.

**Contact Person:**    Kim Johnson  
**Phone Number:**    573-751-7988

<sup>1</sup> Title 42 USC 1396b(r)

<sup>2</sup> Title 42 USC 1396b(r)





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**2021-005.**                      Medicaid and CHIP Participant Eligibility

**Federal Agency:** Department of Health and Human Services  
**Federal Program:** 93.767 Children's Health Insurance Program  
93.778 COVID-19 - Medical Assistance Program  
93.778 Medical Assistance Program  
**State Agency:** Department of Social Services (DSS) - MO HealthNet Division (MHD) and  
Family Support Division (FSD)  
**Similar Findings:** 2020-003 and 2019-005

The DSS did not have sufficient controls to ensure compliance with the eligibility requirements of the Medical Assistance Program (Medicaid) and the Children's Health Insurance Program (CHIP) for certain participants whose eligibility is based on their Modified Adjusted Gross Income (MAGI). The DSS did not correct system overrides in the Medicaid Eligibility Determination and Enrollment System (MEDES) for some MAGI-based participants, preventing their cases from being closed when necessary. DSS did not close the case of a participant who moved out of state.

**Recommendation:**

The DSS through the MHD and the FSD review participants with manual overrides in the MEDES to ensure the participants remain eligible and do not meet one of the exceptions requiring removal from the Medicaid and the CHIP during the public health emergency. In addition, the DSS should review and correct the eligibility for the ineligible participant identified in this finding.

**Status of Findings:**

The DSS did not agree with the finding. Therefore, there was no corrective action necessary.

The SAO identified one ineligible participant who had previously moved out of state prior to the Public Health Emergency (PHE). This is 1.67% of the 60 MAGI cases reviewed and no payments were made for the individual, so there was no financial impact during the audit period. Additionally, the DSS has taken action to close the eligibility case noted in the recommendation.

Section 6008 of the Families First Coronavirus Response Act (FFCRA) requires states to provide continuous coverage, through the end of the month in which the PHE period ends, to all Medicaid beneficiaries who were enrolled in Medicaid on or after March 18, 2020, regardless of any changes in eligibility unless the individual voluntarily terminates eligibility, is deceased, or moves out of state. As required by the Centers for Medicaid and Medicare Services (CMS) during the PHE, the DSS has processes in place to terminate eligibility for individuals who are deceased, voluntarily request closure, or report they have moved out of state.

During the PHE, the DSS is not conducting reviews of cases that do not report current changes. In accordance with CMS guidance, Missouri expects to unwind from the PHE by completing annual reviews for all MO HealthNet cases over twelve months from the expiration of the PHE. At the time of the review of each case, the DSS will appropriately end MO HealthNet eligibility for all individuals determined to no longer be eligible.

The Consolidated Appropriations Act, 2023, signed on December 29, 2022, amends section 6008 of the FFCRA such that the continuous enrollment condition will end on March 31, 2023. DSS will begin the twelve month unwinding period on April 1, 2023.

**Contact Person:** Heather Atkins

**Phone Number:** 573-751-4269



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**2021-006.** Foster Care Maintenance Payment Rates

**Federal Agency:** Department of Health and Human Services

**Federal Program:** 93.658 Foster Care - Title IV-E

**State Agency:** Department of Social Services (DSS) - Children's Division (CD) and Division of Finance and Administrative Services (DFAS)

The DSS had not documented policies and procedures, including a periodic schedule, for reviews of Foster Care program maintenance payment rates. In addition, the DSS could not provide documentation supporting any review of the rates in effect for the year ended June 30, 2021.

**Recommendation:**

The DSS through the CD and the DFAS develop policies and procedures, including a reasonable and specific schedule, for periodic reviews of Foster Care program maintenance payments and rates, and implement the schedule for reviewing and determining the appropriateness of the payments and rates as required. Also, maintain documentation of all reviews performed.

**Status of Finding:**

The DSS did not agree with this finding and therefore corrective action was not required. The rates are reviewed through the budget process each year.

In addition, the Children's Division Fiscal Unit met with the DFAS Budget Unit on September 8, 2022. The current Foster Care program maintenance payments and rates were reviewed in comparison to a USDA report on the costs of raising a child. Documentation has been kept and procedures are established to review annually with the process beginning each July.

**Contact Person:** Courtney Stalter  
**Phone Number:** 573-526-4671



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**2021-007.** Child Care Corrective Payments

**Federal Agency:** Department of Health and Human Services  
**Federal Program:** 93.575 COVID-19 - Child Care and Development Block Grant  
93.575 Child Care and Development Block Grant  
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Program Fund  
**State Agency:** Department of Social Services (DSS)  
**Questioned Costs:** \$179

DSS controls over Child Care Development Fund (Child Care) program's corrective (manual) subsidy payments to child care providers were not sufficient to prevent improper payments. The DSS made unsupported corrective payments and/or overpaid providers on behalf of 3 children.

Effective August 28, 2021, through Executive Order 21-02, the Governor transferred the Child Care program, including some personnel, from the DSS to the Department of Elementary and Secondary Education (DESE) - Office of Childhood. The DSS remained the lead agency responsible for all Child Care program policies and procedures during the year ended June 30, 2021. In subsequent years, the DSS will continue to perform certain agreed-upon responsibilities for the program.

**Recommendation:**

The DSS and the DESE review, strengthen, and enforce policies and procedures regarding Child Care subsidy provider corrective payments. These procedures should include receipt and retention of payment resolution request forms and attendance records that sufficiently support the corrective payments. The DSS should review and correct the overpayments for the children identified in this finding.

**Status of Finding:**

The Child Care subsidy program transitioned from DSS to DESE on August 28, 2021.

The Lead Agency, for purposes of this response, has already taken the necessary steps to mitigate substantial errors by implementing the CCBIS system and a process to electronically scan all PRRs into an internal online system. Therefore, the Lead Agency has determined additional corrective action is not applicable.

DESE has reviewed, strengthened, and is enforcing policies and procedures regarding Child Care subsidy provider corrective payments. These policies include receipt and record retention of PRRs and attendance records.

DSS and DESE have corrected any payments that were deemed as true overpayments and not supporting documentation issues.

**Contact Person:** Shelley Woods  
**Phone Number:** 573-751-8292



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2021-008.

DSS FFATA Reporting

**Federal Agency:** Department of Health and Human Services  
**Federal Program:** 93.558 Temporary Assistance for Needy Families (TANF)  
93.568 COVID-19 - Low-Income Home Energy Assistance (LIHEAP)  
93.568 Low-Income Home Energy Assistance (LIHEAP)  
**Federal Agency:** Department of Justice  
**Federal Program:** 16.575 Crime Victim Assistance (CVA)  
**State Agency:** Department of Social Services (DSS) - Division of Finance and Administrative Services (DFAS)

The DFAS needed to strengthen internal controls related to Federal Funding Accountability and Transparency Act (FFATA) reporting for the TANF, LIHEAP, and CVA programs. The DFAS did not require supervisors maintain documentation of reviews of information uploaded to the FFATA Subaward Reporting System (FSRS). During state fiscal year 2021, the DFAS did not fully comply with FFATA reporting requirements for more than half of the subawards reviewed.

**Recommendation:**

The DSS through the DFAS strengthen internal controls related to FFATA reporting by having supervisors maintain documentation of reviews performed of the information reported to the FSRS for the TANF, LIHEAP, and CVA programs. In addition, the DFAS should complete FFATA reporting in accordance with the applicable requirements.

**Status of Finding:**

The DSS partially agreed with this finding. The DSS did not agree with the correlation of strong internal controls as it relates to FFATA reporting and supervisors maintaining documentation of the reviews performed. The DSS adheres to formalized procedures for FFATA reporting which includes managerial oversight and contends documented reviews may be preferred but are not required by regulation. The DSS had a transition of staff during the timeframe in question and the FSRS system does not permit users to access and compliance data or reports uploaded in the system by an alternate user. These circumstances allowed for exceptions identified. The DSS uploaded reports for all exception items to ensure the information is available in USA Spending.

The DSS will continue to adhere to written procedures and maintain strong internal controls to maintain FFATA reporting compliance.

**Contact Person:** Sheena Frazer  
**Phone Number:** 573-751-7302





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Year Ended June 30, 2022

**2021-009.**                      ELC Program Subrecipient Reimbursements

**Federal Agency:** Department of Health and Human Services  
**Federal Program:** 93.323 COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)  
93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)  
**State Agency:** Department of Health and Senior Services (DHSS) - Division of Community and Public Health (DCPH)  
**Questioned Costs:** \$105,507

The DHSS did not have sufficient controls and procedures to ensure ELC program reimbursements to subrecipients were allowable, reasonable, and supported with sufficient documentation. As a result, DHSS made unsupported reimbursements totaling \$105,507 to some subrecipients.

**Recommendation:**

The DHSS through the DCPH establish procedures for reviewing detailed documentation supporting reimbursements to ELC program subrecipients to ensure costs are allowable, reasonable, and supported.

**Status of Finding:**

The Monitoring Plan has been developed for the ELC Cares contracts and is in the review process. The thirteen LPHAs mentioned in the audit have submitted their back-up documentation and the back-up documentation has been reviewed and approved. The staff member hired to assist with monitoring efforts has been trained and the ELC contracts have either been reviewed or are scheduled for review. The program anticipates all contracts will be reviewed by March 2024.

**Contact Person:** Jennifer Harrison, Senior Program Specialist

**Phone Number:** 573-522-2881



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-010.**                      ELC Program Subrecipient Monitoring

**Federal Agency:**        Department of Health and Human Services  
**Federal Program:**        93.323 COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)  
                                      93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)  
**State Agency:**         Department of Health and Senior Services (DHSS) - Division of Community and Public Health (DCPH)

The DCPH did not perform subrecipient monitoring procedures in accordance with the department monitoring policy. The DCPH did not develop a monitoring plan as required by the DHSS monitoring policy. In addition, risk assessments to determine the nature, timing, and extent of monitoring procedures; and monitoring reviews were not performed as required by federal regulations and the monitoring policy.

**Recommendation:**

The DHSS through the DCPH ensure subrecipient monitoring procedures are performed in accordance with the department monitoring policy.

**Status of Finding:**

The monitoring plan has been developed for the ELC Cares contracts and is in the review process. The staff member hired to assist with monitoring efforts has been trained and the ELC contracts have either been reviewed or are scheduled for review. The program anticipates all contracts will be reviewed by March 2024.

**Contact Person:**    Jennifer Harrison, Senior Program Specialist

**Phone Number:**    573-522-2881



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-011.** DHSS FFATA Reporting

**Federal Agency:** Department of Health and Human Services  
**Federal Program:** 93.323 COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)  
93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)  
**State Agency:** Department of Health and Senior Services (DHSS)

During state fiscal year 2021, the DHSS did not complete Federal Funding Accountability and Transparency Act (FFATA) reporting within required timeframes for some ELC program subawards.

**Recommendation:**

The DHSS complete FFATA reporting for the ELC program within required timeframes.

**Status of Finding:**

The DHSS Division of Administration continues to evaluate current FFATA reporting processes and implement changes by the anticipated completion date of June 30, 2023 to ensure timeliness of FFATA reporting.

**Contact Person:** Pamela Sandbothe, Controller  
**Phone Number:** 573-522-3471



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

2021-012

Medicaid SPPC Participant Choice Agreements

**Federal Agency:** Department of Health and Human Services  
**Federal Program:** 93.778 COVID-19 - Medical Assistance Program  
93.778 Medical Assistance Program  
**State Agency:** Department of Health and Senior Services (DHSS) - Division of Senior and Disability Services (DSDS)

The DSDS did not have effective controls in place to ensure Participant Choice Agreements were obtained and/or retained for participants of the State Plan Personal Care (SPPC) program. A Participant Choice Agreement was not retained for 5 participants reviewed.

**Recommendation:**

The DHSS through the DSDS implement procedures to ensure a signed Participant Choice Agreement is obtained and retained for all participants of the State Plan Personal Care program.

**Status of Finding:**

The corrective actions have all been implemented as outlined. DHSS continues to utilize the Provider Reassessment Case Record Review Tool to review all reassessments and care planning completed by provider reassessors. A copy of the completed review is sent via email to the provider for each case. The tool details any areas of education or remediation needed. Missing forms such as the Participant Choice Statement are considered a critical remediation, meaning the case may not be authorized until the remediation is completed.

The new Quality Unit position is working closely with the Provider Reassessor Review team to ensure accuracy and consistency amongst reviewers. In September 2022 a new tool was implemented to evaluate each of the provider reassessor reviewers. This tool allows the DHSS Quality Unit to look at the provider reassessor review team similar to how the providers are reviewed. This tool brings a consistent approach to oversight completed by both the Quality Unit and the review team supervisors. The aggregated information will be provided quarterly to staff highlighting areas of needed improvement.

**Contact Person:** Melanie Highland  
**Phone Number:** 573-526-3627





State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-013.**                      Medicaid Facility Survey Timeliness

**Federal Agency:**        Department of Health and Human Services  
**Federal Program:**        93.777 COVID-19 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare  
                                     93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare  
**State Agency:**        Department of Health and Senior Services (DHSS) - Section for Long-Term Care Regulation (SLCR)

The SLCR did not perform facility survey procedures within required timeframes.

**Recommendation:**

The DHSS through the SLCR ensure survey procedures are conducted within required timeframes.

**Status of Finding:**

As noted in the Corrective Action Plan (CAP) of June 2022, the Section for Long Term Care Regulation (SLCR) has procedures in place to ensure surveys and certifications are performed in accordance with the State Operations Manual. The DHSS secured some additional federal funding in order to contract for a number of surveys through the end of calendar year 2022.

The contracts were sent to the vendors on September 23, 2022 and were executed by the end of September, 2022. The contractors completed 13 health recertification surveys between October 2022 and December 2022. In addition, the DHSS requested an increase in general revenue funds to increase surveyor salaries to improve recruitment and retention, reduce vacancies, and to ensure recent salary increases and increases in workload are fully funded. This specific request was not approved, but rather incorporated into the overall salary increases for state employees. This increase, however, was not adequate in improving recruitment and retention efforts, especially for Registered Nurses. In addition, CMS has informed the DHSS there will be no increase in federal funding for Federal Fiscal Year 2023.

**Contact Person:**        Shelly Williamson, Administrator, Section for Long Term Care  
                                     Regulation, Division of Regulation and Licensure  
**Phone Number:**        573-526-4872



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-014.**                      Medicaid Developmental Disabilities Comprehensive Waiver Per Diem Rates

**Federal Agency:**            Department of Health and Human Services  
**Federal Program:**        93.778 COVID-19 - Medical Assistance Program  
                                     93.778 Medical Assistance Program  
**State Agency:**            Department of Mental Health (DMH) - Division of Developmental Disabilities (DD)  
**Similar Findings:**        2020-005, 2019-007, 2018-014, 2017-017, 2016-006, and 2015-015

The DD continued to pay historical per diem rates to providers for residential habilitation services provided to participants of the Home and Community Based Services (HCBS), Developmental Disabilities Comprehensive Waiver (Comprehensive Waiver) program, but did not retain adequate documentation to support these rates. As a result, the DD could not demonstrate some amounts paid were allowable costs of the Comprehensive Waiver program.

**Recommendation:**

The DMH through the DD continue to transition all per diem rates paid to providers for residential habilitation services provided under the Comprehensive Waiver program from historical rates to acuity-based rates and ensure documentation to support per diem rates is maintained as required.

**Status of Finding:**

The Division of Developmental Disabilities (DD) anticipates CMS will suspend the disallowance for this finding, as it did with previous findings 2020-005, 2019-007, and 2018-014, pending completion of a corrective action plan that has been approved by Division of DD. The result of the corrective action plan will be to align rates paid to providers with the approved rate methodology for this service based on a market based rate study completed by DD and the state's actuarial firm, Mercer. During state fiscal year 2022, all per diem rates had been increased to the lower bound acuity-based rates based on the 2018 Mercer Rate Study. During state fiscal year 2023, all per diem rates will be further increased to the upper bound acuity-based rates based on the 2018 Mercer Rate Study trended forward to SFY 2024.

**Contact Person:**    Brad Fawl, Audit Director  
**Phone Number:**    573-751-8052



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-015.**                      GEER Fund Annual Performance Reporting

**Federal Agency:**            Department of Education  
**Federal Program:**        84.425C COVID-19 - Governor's Emergency Education Relief (GEER) Fund  
**State Agency:**            Department of Elementary and Secondary Education (DESE)

The DESE did not report subaward information in its annual performance report of the GEER Fund for the period March 13 through September 30, 2020.

**Recommendation:**

The DESE ensure accurate annual performance reports are submitted for the GEER Fund.

**Status of Finding:**

All previous reports have been corrected and resubmitted. DESE has reviewed, strengthened, and is enforcing policies and procedures regarding accurate and timely report submission.

**Contact Person:**        Shelley Woods  
**Phone Number:**        573-751-8292



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-016.** DESE FFATA Reporting

**Federal Agency:** Department of Education  
**Federal Program:** 84.425C COVID-19 - Governor's Emergency Education Relief (GEER) Fund  
84.425D COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund  
**State Agency:** Department of Education and Secondary Education (DESE)

During state fiscal year 2021, the DESE did not comply with Federal Funding Accountability and Transparency Act (FFATA) reporting requirements for any of the subawards reviewed for the GEER Fund and the ESSER Fund grants.

**Recommendation:**

The DESE complete FFATA reporting for the GEER Fund and the ESSER Fund in accordance with the applicable requirements.

**Status of Finding:**

All previous reports have been corrected and are ready to submit. However, DESE is unable to submit due to a previous open report that the Federal Government has to close and then delete to prevent duplicate reporting. DESE has tried to submit the report multiple times without success. DESE has reached out to FSRS for assistance in resolving this issue, and continues to communicate with the FSRS team.

DESE has reviewed, strengthened, and is enforcing policies and procedures regarding accurate and timely report submission.

**Contact Person:** Shelley Woods  
**Phone Number:** 573-751-8292



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-017.**                      Special Education Cluster Subrecipient Monitoring

**Federal Agency:**        Department of Education  
**Federal Program:**        84.027 Special Education Grants to States  
                                     84.173 Special Education Preschool Grants  
**State Agency:**            Department of Elementary and Secondary Education (DESE)

The DESE needed to strengthen internal controls to ensure compliance with subrecipient monitoring requirements. The DESE did not perform subrecipient monitoring reviews in accordance with its monitoring guide for the Special Education Cluster. The DESE did not perform the required on-site/virtual monitoring visits for 7 Local Education Agencies (LEAs) categorized as high-risk. In addition, 2 reviews were incomplete and DESE personnel had not timely followed up with the LEAs about outstanding items necessary to complete the reviews.

**Recommendation:**

The DESE strengthen controls and procedures to ensure subrecipients of the Special Education Cluster are monitored in accordance with the monitoring guide.

**Status of Finding:**

DESE has reviewed, strengthened, and is enforcing policies and procedures in accordance with the Special Education monitoring guide.

**Contact Person:**        Shelley Woods  
**Phone Number:**        573-751-8292



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-018.**

DESE SEFA

**Federal Agency:** Department of Education  
**Federal Program:** 10.555 COVID-19 - National School Lunch Program  
10.555 - National School Lunch Program  
84.425C COVID-19 - Governor's Emergency Education Relief (GEER) Fund  
84.126 Rehabilitation Services Vocational Rehabilitation Grants to States  
96.001 Social Security Disability Insurance  
**State Agency:** Department of Elementary and Secondary Education (DESE)

The DESE's controls and procedures related to the preparation of the schedule of expenditures of federal awards (SEFA) were not sufficient, and as a result, expenditures reported on the DESE SEFA submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the statewide SEFA for the year ended June 30, 2021, were misstated.

**Recommendation:**

The DESE implement controls and procedures to prepare and submit an accurate SEFA to the DOA.

**Status of Finding:**

DESE has reviewed, strengthened, and is enforcing policies and procedures regarding accurate SEFA submissions.

**Contact Person:** Shelley Woods  
**Phone Number:** 573-751-8292





State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-019.**                      Department of Labor and Industrial Relations UInteract System Controls

**Federal Agency:**        Department of Labor  
                                 Department of Homeland Security  
**Federal Program:**        17.225 COVID-19 - Unemployment Insurance  
                                 17.225 Unemployment Insurance  
                                 97.050 COVID-19 - Presidential Declared Disaster Assistance to Individuals and  
                                 Households - Other Needs  
**State Agency:**            Department of Labor and Industrial Relations (DOLIR)  
**Questioned Costs:**        \$86,500

The DOLIR's UInteract system controls were not sufficient to prevent or detect improper payments authorized by an employee totaling approximately \$123,000 during fiscal years 2020 and 2021. We questioned the overpayments totaling \$86,500 during the year ended June 30, 2021.

**Recommendation:**

The DOLIR implement the confidentially communicated recommendations for improving UInteract system controls and correct the improper payments.

**Status of Finding:**

Corrective Action was taken.

**Contact Person:**        Julie Coon  
**Phone Number:**        573-751-3136



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-020.**

SEMA Suspension and Debarment Procedures

**Federal Agency:** Department of Homeland Security - Federal Emergency Management Agency  
**Federal Program:** 97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters)  
**State Agency:** Department of Public Safety - State Emergency Management Agency (SEMA)

During the year ended June 30, 2021, the SEMA did not have adequate procedures to ensure the timely verification that subrecipients of the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (DGPA) program were not suspended or debarred.

**Recommendation:**

The SEMA should continue to strengthen and enforce internal controls over suspension and debarment requirements to verify each subrecipient of the DGPA program was not suspended or debarred prior to approving funding.

**Status of Finding:**

Corrected and Closed

**Contact Person:** Nikol Enyart  
**Phone Number:** 573-526-9136





State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

2021-021.

SEMA FFATA Reporting

**Federal Agency:** Department of Homeland Security - Federal Emergency Management Agency  
**Federal Program:** 97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters)  
**State Agency:** Department of Public Safety - State Emergency Management Agency (SEMA)

The SEMA needed to strengthen internal controls related to Federal Funding Accountability and Transparency Act (FFATA) reporting for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) program. During state fiscal year 2021, the SEMA did not comply with FFATA reporting requirements for any of the subawards reviewed. The SEMA's policies and procedures over the FFATA reporting process do not include procedures for compiling subaward data or requiring a documented supervisory review of information updated to the FFATA Subaward Reporting System (FSRS).

**Recommendation:**

The SEMA strengthen internal controls related to FFATA reporting to include formal written policies and procedures for compiling subaward data and documented supervisory reviews of the information reported to the FSRS for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) program. In addition, the SEMA should complete FFATA reporting in accordance with the applicable requirements.

**Status of Findings:**

Corrected and Closed

**Contact Person:** Nikol Enyart  
**Phone Number:** 573-526-9136



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2021-022.**

MoDOT FFATA Reporting

**Federal Agency:** Department of Transportation  
**Federal Program:** 20.106 COVID-19 - Airport Improvement Program and COVID-19 Airports Programs  
20.106 Airport Improvement Program and COVID-19 Airports Programs  
**State Agency:** Missouri Department of Transportation (MoDOT)

The MoDOT needed to strengthen internal controls related to Federal Funding Accountability and Transparency Act (FFATA) reporting for the Airport Improvement Program (AIP). The MoDOT's formal written policies and procedures over the FFATA reporting process did not include procedures for compiling subaward data to be uploaded to the FFATA Subaward Reporting System (FSRS). In addition, documented supervisory reviews of information uploaded to the FSRS were not always performed.

**Recommendation:**

The MoDOT strengthen internal controls related to FFATA reporting to include formal written policies and procedures for compiling subaward data, and perform documented supervisory reviews of the information reported to the FSRS for the Airport Improvement Program.

**Status of Finding:**

MoDOT has strengthened internal controls related to FFATA reporting which includes formal written policies and procedures for compiling subaward data and documented supervisor reviews of the information reported to the FSRS for the Airport Improvement Program.

**Contact Person:** Todd Grosvenor

**Phone Number:** 573-751-4626



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**FS2021-001.**                      Department of Revenue Financial Reporting Controls

**State Agency:**                Department of Revenue (DOR)

The DOR did not have adequate controls and procedures over financial reporting of sales and use tax accounts receivable. As a result, net accounts receivable and related liability balances submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the *Missouri Annual Comprehensive Financial Report* for the year ended June 30, 2021, were misstated.

**Recommendation:**

The DOR implement controls and procedures to prepare and submit accurate sales and use tax accounts receivable reports to the DOA.

**Status of Finding:**

Corrective actions were taken as stated in the State Auditor's Office Report 2022-22 titled State of Missouri Comprehensive Annual Financial Report on Internal Control, Compliance, and Other Matters Year Ended June 30, 2021.

**Contact Person:** Lindsey Herigon

**Phone Number:** 751-5236



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**FS2021-002.**                      Department of Natural Resources Capital Asset Controls

**State Agency:**                Department of Natural Resources (DNR)

The DNR did not have adequate controls and procedures over reporting capital assets in the statewide accounting (SAM II) system. If the accounting system errors had not been identified during the audit, Government Wide - Business Type Activities and Non-Major Enterprise Fund accumulated depreciation of capital assets would have been overstated and net capital assets would have been understated in the *Missouri Annual Comprehensive Financial Report* for the year ended June 30, 2021.

**Recommendation:**

The DNR strengthen controls and procedures to ensure capital assets are accurately reported in the SAM II system

**Status of Finding:**

Future period depreciation and the useful life were corrected for the capital assets in question. Procedures were implemented in December 2021 to monitor the depreciation of assets on a monthly basis.

**Contact Person:**              Darcy A. Bybee  
**Phone Number:**              (573) 751-1117



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**FS2021-003.**                      Department of Social Services Financial Reporting Controls

**State Agency:**                Department of Social Services (DSS)

The DSS - Division of Finance and Administrative Services (DFAS) did not have adequate controls and procedures over financial reporting of federal grant accounts receivable. As a result, accounts receivable data submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the *Missouri Annual Comprehensive Financial Report* for the year ended June 30, 2021, was misstated.

**Recommendation:**

The DSS through the DFAS strengthen controls and procedures to prepare and submit accurate accounts receivable reports to the DOA.

**Status of Finding:**

Starting with the completion of the SFY 2022 ACFR Accounts Receivable reporting, the DSS will use the Temporary Assistance federal financial report to ensure accurate accounts receivable reporting.

**Contact Person:**              Melanie Myers  
**Phone Number:**              573-522-2528



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**FS2021-004.** Department of Labor and Industrial Relations UInteract System Controls

**State Agency:** Department of Labor and Industrial Relations (DOLIR)

The DOLIR needed to improve certain UInteract system controls. System controls were not sufficient to prevent or detect improper payments authorized by an employee totaling approximately \$123,000 during fiscal years 2020 and 2021.

**Recommendation:**

The DOLIR implement the confidentially communicated recommendations for improving UInteract system controls and correct the improper payments.

**Status of Finding:**

Corrective action was taken.

**Contact Person:** Julie Coon

**Phone Number:** 573-751-3136





State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2020-004.**                      Adoption Assistance Eligibility and Payments

**Federal Agency:**            Department of Health and Human Services  
**Federal Program:**           93.659 Adoption Assistance  
**State Agency:**             Department of Social Services (DSS) - Children's Division (CD) and Division of  
Finance and Administrative Services (DFAS)  
**Questioned Costs:**        \$14,465 (2020)  
**Similar Findings:**        2019-001 and 2018-004

The DSS made payments on behalf of ineligible children and did not have sufficient controls to prevent and/or detect certain unallowable payments. The CD made payments on behalf of some ineligible children with backdated subsidy agreements, and made an unallowable payment for an additional child.

**Recommendation:**

The DSS through the CD and the DFAS enforce policies and procedures regarding Adoption Assistance payments. The DSS should review and correct the eligibility and payments for the children identified in this finding.

**Status of Findings:**

The DSS previously addressed this finding, therefore DSS disagrees with the current recommendation. The Department implemented new processes in FY 2008 regarding backdating subsidy agreements as stated in prior audit responses. Additionally, as noted by the SAO, DHHS – Administration for Children and Families (ACF) has issued decision letters regarding this matter. The DSS continues to provide new worker and refresher trainings to adoption assistance staff regarding adoption assistance agreement requirements and quality assurance reviews to ensure service start dates of the agreement are as of or after the Director's signature on the agreement and ensuring start dates are on or prior to the date of adoption to assure eligibility for IV-E Adoption funds. The DSS continues provide training to Title IV-E Benefit Program Specialists on reviewing adoption assistance payments to ensure they are allowable. DSS also has internal steps in place to ensure agreements have proper signatures and effective dates.

Payments for the children identified in this finding were fund recouped from Title IV-E Adoption Assistance funding on February 9, 2021, and were reflected as a decreasing adjustment on the QE 03/31/2021 grant reports. ACF confirmed that all questioned costs from the finding were received and considered resolved.

Additionally, DSS gathered a listing of all Title IV-E Adoption Assistance cases opened in May 2008 and earlier that continue to be active for Title IV-E Adoption Assistance payments in SFY 2022. The DSS is in the process of reviewing documentation and conducting case reviews to ensure allowability of claiming to the Title IV-E Adoption Assistance program for each case.

Contact Person:    Jodi Lodewegen  
Phone Number:    573-526-2046



State of Missouri - Single Audit  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

**2019-004.**

CSBG Program Reporting

**Federal Agency:** Department of Health and Human Services  
**Federal Program:** 93.569 Community Services Block Grant (CSBG)  
**State Agency:** Department of Social Services (DSS) - Division of Finance and Administrative Services (DFAS)

The DSS did not have adequate procedures for preparation of the annual CSBG program federal financial report (SF-425), and as a result, amounts on the interim SF-425 report were misstated for the federal fiscal year ended September 30, 2018 (FFY18) grant. On the FFY18 grant interim SF-425 report, the DFAS reported unliquidated obligations as the total unspent FFY18 grant award of \$11.6 million rather than the total unpaid FFY18 contract amounts of \$3.8 million. By incorrectly reporting unliquidated obligations as the unspent FFY18 grant award, the DFAS overstated unliquidated obligations and understated the resulting unobligated balance at September 30, 2018, by about \$7.8 million.

**Recommendation:**

The DSS through the DFAS establish controls and procedures to ensure CSBG program federal financial reports are accurately prepared in accordance with federal requirements. In addition, the DSS should review, revise, and resubmit previously submitted inaccurate federal reports.

**Status of Finding:**

The DSS disagrees with this finding. In accordance with the DSS' 12/21/2018 response letter to the Administration for Children and Families (ACF) CSBG Missouri State Assessment Draft Monitoring Report, the accounting methodology employed for drawing and disbursing the CSBG award funds to eligible entities was based on the "first-in, first-out" approach. While the DSS contended the accounting records and methodologies were in compliance with the general terms and conditions of the grant and 45 CFR 75.309(a)(b), it acknowledged ACF's request to discontinue the "first-in, first-out" approach. On 6/26/2019 following issuance of the ACF CSBG Missouri State Assessment Final Monitoring Report, the DSS again acknowledged ACF's request to discontinue use of the "first-in, first-out" accounting method and confirmed the work being completed with the Community Action Agencies and other internal actions to affect the change that was implemented on October 1, 2019. As such, the difference between records referenced in the finding is due to the accounting methodology employed for drawing and disbursing CSBG award funds to eligible entities during the referenced time period.

Additionally, on September 30, 2020, the DSS awarded a contract for an independent and objective audit to be conducted on the FFY 2016 CSBG grant award. This audit was conducted and the conclusion was DSS claim was accurate and supported.

Corrective action planned is as follows: Not applicable. The DSS disagrees with this finding and does not plan to resubmit the previously submitted FFY 18 federal reports.

**Contact Person:** Pat Luebbering  
**Phone Number:** 573-751-7533



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# State of Missouri - Single Audit

## Corrective Action Plans

### Year Ended June 30, 2022

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The Uniform Guidance requires the auditee to prepare a Corrective Action Plan (CAP) for each finding reported in the Schedule of Findings and Questioned Costs. The CAPs were prepared by the management of the applicable state agencies.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

Michael L. Parson  
Governor

Kenneth J. Zellers  
Commissioner



State of Missouri  
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Stacy Neal  
Director

## CORRECTIVE ACTION PLANS

The State of Missouri's Office of Administration, Division of Accounting respectfully submits the following Corrective Action Plans for the findings related to the Statewide Single Audit for fiscal year ended June 30, 2022. Each Corrective Action Plan was prepared by the State agency noted.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Revenue (DOR)

Audit Finding Number: FS2022-001 Department of Revenue Financial Reporting Controls

Name of the contact person responsible for corrective action: Amanda Bolin

Anticipated completion date for corrective action: April 17, 2023

Corrective action planned is as follows:

The Department of Revenue is aware of the concerns noted in the State Auditor's Office (SAO) finding regarding controls and procedures over the financial reporting of certain governmental and custodial fund financial activities. The Department of Revenue experienced significant turnover in the Administration Division during the fiscal year ended June 30, 2022, and as a result, the two-step review, established in the prior fiscal year, did not ensure our financial reports submitted to the Office of Administration – Division of Accounting (DOA) and SAO were accurate. The Department of Revenue took immediate corrective action by resubmitting the financial reports to the DOA, continuing to use our two-step review process, providing additional cross-training to team members, and maintaining adequate supporting documentation for all financial reports being submitted to the DOA and the SAO. The Department of Revenue will ensure all financial reports are submitted accurately to the DOA and SAO in the future.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS) – MO HealthNet Division (MHD)

Audit Finding Number: FS2022-002 Department of Social Services Financial Reporting Controls – Medicaid Payments

Name of the contact person responsible for corrective action: Becky McCarthy

Completion date for corrective action: December 23, 2022

Recommendation: The DSS through the MHD and the DFAS strengthen controls and procedures to prepare and submit accurate Medicaid payment reports to the DOA.

DSS Response: The DSS agrees with the SAO's recommendation. The Corrective Action Plan includes the department's planned actions to address the finding.

Corrective action planned is as follows: MO HealthNet and Research and Evaluation staff have worked together to update coding on the reports used in the creation of the Annual Comprehensive Financial Report to include the Medicaid Expansion group.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS) – MO HealthNet Division (MHD)

Audit Finding Number: FS2022-003 Department of Social Services Financial Reporting Controls – Medicaid Accounts Receivable

Name of the contact person responsible for corrective action: Becky McCarthy

Anticipated completion date for corrective action: October 1, 2023

Recommendation: The DSS through the MHD and the DFAS strengthen controls and procedures to prepare and submit accurate Medicaid accounts receivable reports to the DOA

DSS Response: The DSS agrees with the SAO's recommendation. The Corrective Action Plan includes the department's planned actions to address the finding.

Corrective action planned is as follows: MO HealthNet staff will examine the methodology used in the creation of the Medicaid accounts receivable report and will adjust accordingly. MO HealthNet and DFAS staff will continue to ensure reviews are completed.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS)

Audit Finding Number: FS2022-004 – Department of Social Services Financial Reporting Controls – Accounts Payable

Name of the contact person responsible for corrective action: Angela Wallace

Anticipated completion date for corrective action: February 2023

Recommendation: The DSS through the DFAS strengthen controls and procedures to prepare and submit accurate accounts payable reports to the DOA.

DSS Response: The Department of Social Services (DSS) agrees with the SAO's recommendation. In prior years, the ACFR Accounts Payable (AP) procedures in place took a significant amount of staff time to complete. Therefore, the DSS did change the procedures starting with the SFY 2022 reporting. The updated procedures were designed to align with those of other state departments with the overall goal to improve efficiencies within the Accounts Payable Unit. This change, in turn, allowed for enhanced processes in other areas of the unit.

Upon feedback from the SAO, the DSS did further refine the procedures for the SFY 2022 reporting. With the refined procedures, the DSS did submit revised ACFR AP reports to the Division of Accounting.

Corrective action planned is as follows: Effective January 9, 2023, the DSS Accounts Payable staff started including the service dates and/or received dates on the Line Description field of the payment in preparation of the completion of the SFY 2023 ACFR. Effective February 2023, the DSS has updated the written ACFR AP procedures to document the changes made.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Natural Resources

Audit Finding Number: FS2022-005 Department of Natural Resources Financial Reporting Controls

Name of the contact person responsible for corrective action: Darcy A. Bybee

Anticipated completion date for corrective action: Immediately

Corrective action planned is as follows:

Department management agrees with the recommendation. In the future, we will ensure duplicate entries are not included in the information compiled from the State Revolving Fund System Reports and that the totals reconcile to the State's Accounting System prior to submission of the loans receivable ACFR survey to the Office of Administration.





State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Secretary of State

Audit Finding Number: FS2022-006 Office of Secretary of State Financial Reporting Controls

Name of the contact person responsible for corrective action:

Anticipated completion date for corrective action:

Corrective action planned is as follows:

The agency does not agree with the audit findings and corrective action is not required. Explanation and specific reasons are as follows:

The Secretary of State's Office (SOS) reported to the Office of Administration, Division of Accounting (DOA) an accurate amount of fines and penalties owed and will not misrepresent what is owed to aggrieved Missourians. The State Auditor's Office notes the estimation of un-collectibles is for financial reporting purposes only. As the ACFR is a product of the DOA, the SOS does not control how the financial report is presented. SOS disagrees with the selective reading of the Governmental Accounting Standards Board (GASB) Statement No.33. Each year the SOS is required to report the amount of civil penalties listed as receivables to DOA for inclusion in the Annual Comprehensive Financial Report (ACFR). These amounts are owed by violators of securities laws enforced by the SOS Securities Division. All receivables related to said violators are valid penalties until paid for by the bad actors who committed the violations.





State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Labor & Industrial Relations (DLIR)

Audit Finding Number: FS2022-007 Department of Labor and Industrial Relations Financial Reporting Controls

Name of the contact person responsible for corrective action: Julie Coon

Anticipated completion date for corrective action: December 1, 2023

Corrective action planned is as follows:

The DLIR agrees with the finding and has corrected the net position misstatements. The misstatement is related to increase volume of COVID-19 pandemic unemployment programs, when the department was processing an unprecedented amount of benefits and time did not allow for adequate review and corrections. DLIR is working with OA ITSD and generating financial data queries to compare UInteract monthly and yearly reports which allows DLIR to review and correct discrepancies sooner which will prevent future delays and allow for timely reporting.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Office of Administration Division of Accounting

Audit Finding Number: FS2022-008 Office of Administration Financial Reporting  
Controls – Fund Balance Classifications

Name of the contact person responsible for corrective action: Stacy Neal

Anticipated completion date for corrective action:

Corrective action planned is as follows:

The agency does not agree with the audit findings and believes that corrective action is not required. Explanation and specific reasons are as follows:

While the Division of Accounting agrees there was an error in the draft document, the Division of Accounting was not provided the opportunity to complete the managerial review and internal control procedures already in place before the finding was decided based on a draft document.

(If you agree with the audit findings, please delete this section)



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Office of Administration

Audit Finding Number: FS2022-009 – Office of Administration SAMII Transaction Approvals

Name of the contact person responsible for corrective action: Stacy Neal, Director

Anticipated completion date for corrective action: February 2023

Corrective action planned is as follows:

Periodic reviews will be performed and OA will continue to provide oversight of user accounts. We are currently implementing MOVERS to replace the existing ERP system, which will reduce if not eliminate conflicts with security access.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS) - MO HealthNet Division (MHD)

Audit Finding Number: 2022-001 – Medicaid National Correct Coding Initiative (NCCI)

Name of the contact person responsible for corrective action: Becky McCarthy

Completion date for corrective action: July 1, 2022

Recommendation: The DSS through the MHD continue to strengthen controls over the NCCI requirements to ensure NCCI edits are fully implemented and reprocess claims paid when edits are not implemented timely, as required.

DSS Response: The DSS agrees with the SAO's recommendation. The Corrective Action Plan includes the department's planned actions to address the finding.

Corrective action planned is as follows: MO HealthNet has fully implemented the NCCI edits in the Medicaid Management Information System (MMIS) as of July 1, 2022. This was the date stated as the anticipated completion date in the corrective action plan from the SFY 2021 audit finding.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS) – MO HealthNet Division (MHD) and Family Support Division (FSD)

Audit Finding Number: 2022-002 – Medicaid and CHIP MAGI-Based Participant Eligibility

Name of the contact person responsible for corrective action: Heather Atkins

Anticipated completion date for corrective action: N/A

Recommendation: The DSS through the MHD and the FSD review and correct cases for participants with manual overrides in the MEDES, ensure redeterminations are completed for these participants as required, and close the cases of any ineligible participants. In addition, the DSS should ensure system controls are functioning as designed for these participants.

DSS Response: The DSS disagrees with this finding. The DSS disagrees that there is a significant deficiency in internal controls. As noted in the finding, from the 60 participants selected, the SAO did not identify any participants with previously-established overrides; therefore, no incorrect payments were cited.

Section 6008 of the Families First Coronavirus Response Act (FFCRA) requires states to provide continuous coverage, through the end of the month in which the PHE period ends, to all Medicaid beneficiaries who were enrolled in Medicaid on or after March 18, 2020, regardless of any changes in eligibility unless the individual voluntarily terminates eligibility, is deceased, or moves out of state. As required by the Centers for Medicaid and Medicare Services (CMS) during the PHE, the DSS has processes in place to terminate eligibility for individuals who are deceased, voluntarily request closure, or report they have moved out of state when a current change is reported.

The Consolidated Appropriations Act, 2023, signed on December 29, 2022, amends section 6008 of the FFCRA such that the continuous enrollment condition ended on March 31, 2023.

During the PHE, the DSS did not conduct reviews of cases that did not report current changes. In accordance with CMS guidance, effective April 1, 2023, Missouri is unwinding from the PHE by completing annual reviews for all MO



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State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

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HealthNet cases over twelve months. At the time of the review of each case, the DSS will appropriately end MO HealthNet eligibility for all individuals determined to no longer be eligible.





State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS) – MO HealthNet Division (MHD) and Family Support Division (FSD)

Audit Finding Number: 2022-003 – Medicaid and CHIP Eligibility Determination Timeliness

Name of the contact person responsible for corrective action: Heather Atkins

Anticipated completion date for corrective action: Completed

Recommendation: The DSS through the MHD and the FSD ensure participant eligibility is determined within required timeframes.

DSS Response: The DSS agrees with this finding. During SFY 2022, DSS experienced significant delays in completing determinations of eligibility at application, resulting in sizable backlogs and applications pending beyond the timeframes permitted in regulation. Due to this, Missouri collaborated with CMS to mitigate the backlog. As of September 30, 2022, DSS has completed processing of all overdue applications. The mitigation plan is located at <https://www.medicaid.gov/medicaid/eligibility/downloads/missouri-mitigation-plan.pdf>.

Since DSS completed the processing of all overdue applications as of September 30, 2022, the DSS is completing applications within the established timeframes outlined in 42 CFR 435.912(c)(3) and 42 CFR 457.340(d) and continues to ensure participant eligibility is determined within the required timeframes.

To remain in compliance with established processing timeframes, DSS is leveraging new and available technologies. These technologies are intended to assist the department and participants with necessary actions such as submitting applications, verifying income and resources, and providing required information.

Corrective action planned is as follows: As noted above, as of September 30, 2022, DSS has completed processing of all overdue applications; therefore, no further corrective action is need.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS) – Division of Finance and Administrative Services (DFAS)

Audit Finding Number: 2022 -004 – DSS Cost Allocation

Name of the contact person responsible for corrective action: Sheena Frazer

Anticipated completion date for corrective action: N/A

Recommendation: The DSS through the DFAS continue to strengthen internal controls and procedures over the PACAP and the AlloCAP system to ensure costs are properly allocated to federal programs.

DSS Response: The DSS partially agrees with this finding.

Effective October 1, 2017, the DSS transitioned from utilizing an indirect cost rate methodology to manually allocate costs within spreadsheets to implementing a Public Assistance Cost Allocation Plan (PACAP) to directly allocate costs through cost pools/centers within an automated proprietary cost allocation system. Implementation of a thoroughly documented PACAP coupled with the automated calculations within the AlloCAP system demonstrated DSS' efforts to strengthen internal controls and processes of cost allocation and claims for federal financial participation.

Statewide single audits subsequent to the implementation did not identify any deviations to indicate the DSS did not effectively design, implement, or put controls in place to prevent detection of non-compliance.

The DSS has continued to adhere to written procedures and maintain strong internal controls and further implemented SAO recommendations to provide evidence of the management review process through documented (signed) reviews.

The DSS agrees a calculation error was made; however, it is the result of an isolated error that occurred during design and development of the new cost allocation system. It is for this reason the DSS partially agrees with the finding as the error is an isolated exception and not indicative of the strength of current internal controls.





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State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

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Corrective action planned is as follows: The DSS previously implemented the SAO's recommendations to further strengthen internal controls and will continue to adhere to these processes. As the DSS has already implemented the change to the statistical methodology used for the CD RMTS and revised the impacted federal financial reports, no further corrective action is required.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS) – Family Support Division (FSD)

Audit Finding Number: 2022-005 – Pandemic Electronic Benefit Transfer Food Benefits

Name of the contact person responsible for corrective action: Elizabeth Roberts-Smith

Anticipated completion date for corrective action: Completed

Recommendation: The DSS through the FSD strengthen internal controls to ensure P-EBT program benefit issuances are in accordance with the state plan, and review and correct the overpayments for the children identified in this finding.

DSS Response: The DSS agrees with this finding. The DSS agrees that the two children identified in the report were incorrectly issued benefits.

Recognizing the complexity for families seeking to appropriately access the benefit, the process by which school children are determined eligible and issued P-EBT benefits was modified in the state plan submitted by the State of Missouri to the Food and Nutrition Service (FNS) for the 2021-2022 school year. The P-EBT state plan for the 2021-2022 school year was approved by FNS on June 6, 2022.

Eligibility for P-EBT is now determined at the individual child level based on COVID-related absences and qualification for federal free and reduced lunch benefits. For the 2021-2022 school year, local education authorities (LEA's) submit lists of students determined eligible to the Missouri Department of Elementary and Secondary Education (DESE). DESE then submits the approved eligibility file to DSS with the name of each eligible child and the amount of benefit to be issued on a P-EBT card. DSS then issues the benefit.

Corrective Action is as follows: DSS has reviewed the overpayments and referred the children identified in this finding to the Missouri Program Integrity Unit (PIU) for claims processing, if the funds can be recovered. This is outlined in the FNS approved Missouri P-EBT state plan.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Social Services (DSS) – Division of Finance and Administrative Services (DFAS)

Audit Finding Number: 2022 -006 – DSS Federal Funding Accountability and Transparency Act (FFATA) Reporting

Name of the contact person responsible for corrective action: Sheena Frazer

Anticipated completion date for corrective action: N/A

Recommendation: The DSS through the DFAS strengthen internal controls related to FFATA reporting by having supervisors maintain documentation of reviews performed of the information reported to the FSRS. In addition, the DFAS should timely complete FFATA reporting in accordance with the applicable requirements.

DSS Response: The DSS partially agrees with this finding. The DSS does not agree that documentation of supervisory reviews directly correlates to strong internal controls. The DSS adheres to formalized procedures for FFATA reporting which includes managerial oversight and contends documented reviews may be preferred but are not required by regulation. The DSS experienced a transition of staff during the timeframe in question and the FSRS system does not permit users to access and compliance data or reports uploaded in the system by an alternate user.

The FFATA does not impose a deadline on federal awarding agencies to report federal award information in FSRS. Additionally, the FFATA does not impose a deadline on direct recipients to report the subaward of secondary federal awards issued beyond the month following the original obligation date. Therefore, the timeliness of DSS' FFATA reports is also dependent on the date the federal awarding agency makes the federal award information available in FSRS.

These circumstances allowed for exceptions identified. The DSS has or will upload reports for all exception items to ensure the information is available in USA Spending.

Corrective action planned is as follows: The DSS will continue to adhere to written procedures and maintain strong internal controls to maintain FFATA reporting compliance based on available guidance.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Health and Senior Services (DHSS)

Audit Finding Number: 2022-007 Medicaid Facility Survey Timeliness

Name of the contact person responsible for corrective action:

Shelly Williamson, Administrator, Section for Long Term Care Regulation,  
Division of Regulation and Licensure

Anticipated completion date for corrective action: December 31, 2023

Corrective action planned is as follows:

As The Missouri Department of Health and Senior Services (DHSS) returned to surveying activity following the survey suspension imposed during the Public Health Emergency, it found the gap between surveys has resulted in an increase in both the number of and the severity of violations in long term care facilities. These increases have caused greater time being devoted to investigating these violations and the attendant write up activity, including the Statement of Deficiency. In addition, the number of serious complaints has risen significantly since the pandemic. For example, the number of complaints prioritized as immediate jeopardy (requiring initiation within 24 hours of receipt) has increased by 194% since 2019. Because of the seriousness of these complaints, often surveyors have to be reassigned to investigate these complaints, which results in a delay in conducting revisits or sending statements of deficiencies timely.

DHSS continues to experience staffing shortages, particularly in the Registered Nurse job classification, which impacts the ability to complete work consistently within the prescribed time frames. Each recertification survey requires at least one team member to be a Registered Nurse and due to the nature of many complaints, a Registered Nurse must also complete these investigations. There has been no meaningful increase in the federal budget since 2015, which further impacts the ability to hire and retain Registered Nurses. In addition, there is an ongoing shortage in the labor market for these professionals. The shortage has driven salaries well beyond the surveyor salary structure. DHSS has experienced turnover among surveyors leaving for other opportunities at a much higher salary. The shortage also limits the number of available candidates, and



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

candidates routinely will not apply for positions or even show up for interviews because of the salary gap.

In order to attempt to meet these time frames, DHSS has and will continue to request additional funding from both federal and state sources to increase salaries across the board for Registered Nurses and other survey staff.

As a short-term, time-limited solution possible through one-time additional funding from the Centers for Medicare and Medicaid Services, DHSS has contracted with third-party entities to complete recertification surveys so that DHSS staff can continue to focus on completing work timely.





State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Health and Senior Services (DHSS)

Audit Finding Number: 2022-008 ELC Program Subrecipient Monitoring

Name of the contact person responsible for corrective action: Jennifer Harrison,  
Senior Program Specialist

Anticipated completion date for corrective action: March 2024

Corrective action planned is as follows: DHSS through DCPH will continue to perform monitoring reviews in accordance with the ELC program monitoring plan.



State of Missouri - Single Audit  
Corrective Action Plans  
Year Ended June 30, 2022

**State of Missouri  
Single Audit  
Corrective Action Plan  
Year Ended June 30, 2022**

State Agency: Department of Elementary and Secondary Education (DESE)

Audit Finding Number: 2022-009 DESE FFATA Reporting

Name of the contact person responsible for corrective action: Shelley Woods,  
Chief Operations Officer

Anticipated completion date for corrective action: June 30, 2024

Corrective action planned is as follows:

All previous reports have been corrected and are ready to submit. However, DESE is unable to submit due to a previous open report that the Federal Government has to close and then delete to prevent duplicate reporting. DESE has tried to submit the report multiple times without success. DESE has reached out to FSRs for assistance in resolving this issue, and continues to communicate with the FSRs team. DESE is unable to resolve the reporting issue until the Federal Government takes action on our help tickets.

DESE has reviewed, strengthened, and is enforcing policies and procedures regarding accurate and timely report submission.



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
May 2023

Report No. 2023-029

July 2023

[auditor.mo.gov](https://auditor.mo.gov)



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# Monthly Report on Political Subdivision Filings

## May 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 10 political subdivisions required to file a financial report by May 31, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the reports submitted and, accordingly, do not express an opinion or any other assurance on them.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in May 2023, after their filing deadline. The filing status for these 9 entities is presented in summary on page 3 and by individual entity in Appendixes B to D.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being large and prominent.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## May 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

This report includes the filing status for the 10 political subdivisions, other than cities, towns, and villages, with a fiscal year end of November 30, 2022. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 10 political subdivisions, 9 filed an annual financial report timely.

This report also includes the filing status for 9 political subdivisions, other than cities, towns, and villages, that filed their financial report in May 2023, after their filing deadline.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due May 31, 2023

Fiscal Year Ended November 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Andrew	Amazonia Levee District	Yes	February 17, 2023
Carroll	Big Bend Levee District	Yes	February 14, 2023
Greene	PWSD 5 Greene County	Yes	May 31, 2023
Holt	Big Tarkio Drainage District	Yes	January 11, 2023
Jefferson	Goldman FPD	Yes	January 6, 2023
Laclede	Lebanon SRD 1 Laclede County	No	
Moniteau	Tipton Rural FPD	Yes	May 10, 2023
New Madrid	Drainage District 29 New Madrid County	Yes	February 8, 2023
St. Charles	PWSD 2 St. Charles County	Yes	May 26, 2023
St. Francois	Leadwood FPD	Yes	May 26, 2023
Total Filed		9	
Total Not Filed		1	

Acronyms:

FPD	Fire Protection District
PWSD	Public Water Supply District
SRD	Special Road District

Appendix B  
 Status of Political Subdivisions Required to File Annual Financial Reports  
 Reports Due June 30, 2022  
 Filed in May 2023

Fiscal Year Ended December 31, 2021

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Saline	Levee District 2 Saline County	Yes	May 8, 2023
Total Filed		1	

## Appendix C

### Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due March 31, 2023

Filed in May 2023

Fiscal Year Ended September 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Callaway	Millersburg FPD	Yes	May 6, 2023
Clinton	PWSD 3 Clinton County	Yes	May 3, 2023
Monroe	Monroe City Area FPD	Yes	May 1, 2023
Ripley	Doniphan-Ripley County PLD	Yes	May 1, 2023
St. Francois	Mineral Area CID	Yes	May 19, 2023
Total Filed		5	

#### Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
PLD	Public Library District
PWSD	Public Water Supply District

## Appendix D

### Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due April 30, 2023

Filed in May 2023

Fiscal Year Ended October 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Adair	PWSD 1 Adair County	Yes	May 24, 2023
Platte	PWSD 3 Platte County	Yes	May 16, 2023
Sullivan	Sullivan County Memorial Hospital	Yes	May 3, 2023
Total Filed		3	

#### Acronyms:

PWSD      Public Water Supply District



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
May 2023

Report No. 2023-028

July 2023

[auditor.mo.gov](https://auditor.mo.gov)



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# Monthly Report on Municipal Court and Revenue Filings

## May 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by May 31, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 3 cities is presented in summary on page 4 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in May 2023, after their filing deadline. The filing status for these 20 cities and 2 villages is presented in summary on page 4 and by individual entity in Appendixes B to F.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

May 2023

## Executive Summary

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### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. Rule 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. Rule 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires that the SAO notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and mandatory ballot measure to dissolve the political subdivision.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



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Monthly Report on Municipal Court and Revenue Filings  
May 2023  
Executive Summary

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This report includes the filing status for the 3 cities with a fiscal year end of November 30, 2022, whose financial report was due by May 31, 2023. Of the 3 municipalities, 1 filed the financial report timely. Of the 3 municipalities required to file an addendum, 1 filed timely. Of the 2 municipalities required to file a certification, 2 filed timely.

This report includes the filing status for 20 cities and 2 villages that filed at least one of the items (financial report, addendum, or certification) in May 2023, after their filing deadline. Of these municipalities, 14 filed an annual financial report, 11 filed an addendum, and 5 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due May 31, 2023

Fiscal Year Ended November 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Lafayette	City of Mayview	No		No	N/A
St. Louis	City of Flordell Hills	No		No	Yes
	City of Florissant	Yes	May 24, 2023	Yes	Yes
Total Filed		1		1	2
Total Not Filed		2		2	0
Total N/A		0		0	1

N/A Entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2022  
Filed in May 2023

Fiscal Year Ended December 31, 2021

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Macon	Village of South Gifford	**	May 27, 2022	Yes	N/A
Total Filed		0		1	0

\*\* Filed by June 30, 2022.

N/A Entities without a municipal judge are not required to file a certification.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in May 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Bollinger	City of Marble Hill	**	December 19, 2022	Yes	N/A
Crawford	City of Cuba	***	April 5, 2023	Yes	No
Dunklin	City of Clarkton	***	April 10, 2023	Yes	**
St. Francois	City of Bismarck	***	January 26, 2023	Yes	Yes
Total Filed		0		4	1

\*\* Filed by December 31, 2022.

\*\*\* Filed after December 31, 2022, but before May 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due February 28, 2023  
Filed in May 2023

Fiscal Year Ended August 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	Village of Pasadena Park	Yes	May 14, 2023	No	***
Total Filed		1		0	0

\*\*\* Filed after February 28, 2023, but before May 2023.



Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023  
Filed in May 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Clinton	City of Cameron	Yes	May 16, 2023	No	N/A
Greene	City of Strafford	**	March 28, 2023	Yes	Yes
Henry	City of Ulrich	Yes	May 5, 2023	Yes	N/A
Jackson	City of Grandview	Yes	May 3, 2023	**	**
	City of Sugar Creek	Yes	May 1, 2023	No	No
Johnson	City of Warrensburg	***	April 3, 2023	Yes	Yes
Madison	City of Fredericktown	Yes	May 1, 2023	**	No
Monroe	City of Monroe City	Yes	May 1, 2023	**	N/A
Platte	City of Platte Woods	Yes	May 2, 2023	**	**
St. Clair	City of Appleton City	Yes	May 3, 2023	Yes	N/A
St. Francois	City of Park Hills	Yes	May 2, 2023	**	**
St. Louis	City of Pagedale	Yes	May 18, 2023	Yes	Yes
Total Filed		10		5	3

\*\* Filed by March 31, 2023.

\*\*\* Filed after March 31, 2023, but before May 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix F  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due April 30, 2023  
Filed in May 2023

Fiscal Year Ended October 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Cass	City of Raymore	Yes	May 24, 2023	**	**
Clay	City of Smithville	Yes	May 24, 2023	No	N/A
Holt	City of Oregon	Yes	May 1, 2023	**	N/A
Jackson	City of Raytown	**	April 28, 2023	Yes	Yes
Total Filed		3		1	1

\*\* Filed by April 30, 2023.

N/A Entities without a municipal judge are not required to file a certification.



# Scott Fitzpatrick

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## Missouri State Auditor

### Howell County

Report No. 2023-027

June 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Summary of findings in the audit of Howell County

Sales Tax Rollback	The county did not properly report property tax levy reductions to the State Auditor's Office, accurately calculate property tax reduction amounts, or consider whether transfers were needed to the Special Road and Bridge Fund to replace lost property tax revenue.
Electronic Communication Policy	The county has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission.
County Collector's Commissions	The former County Collector improperly withheld and personally retained commissions on surtax and railroad and utility taxes collected for cities.
Additional Comments	Because counties are managed by several separately-elected individuals, an audit finding made with respect to one office does not necessarily apply to the operations in another office. The overall rating assigned to the county is intended to reflect the performance of the county as a whole. It does not indicate the performance of any one elected official or county office.

In the areas audited, the overall performance of this entity was **Good**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

All reports are available on our Web site: [auditor.mo.gov](http://auditor.mo.gov)

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# Howell County

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## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

County Commission  
and  
Officeholders of Howell County

We have audited certain operations of Howell County in fulfillment of our duties under Section 29.230, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2021. The objectives of our audit were to:

1. Evaluate the county's internal controls over significant management and financial functions.
2. Evaluate the county's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the county; and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the county's management and was not subjected to the procedures applied in our audit of the county.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of Howell County.

A handwritten signature in black ink, reading "S. Fitzpatrick". The signature is fluid and cursive, with the first name "S." and the last name "Fitzpatrick" clearly distinguishable.

Scott Fitzpatrick  
State Auditor

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# Howell County Management Advisory Report State Auditor's Findings

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## **1. Sales Tax Rollback**

The county did not properly report property tax levy reductions to the State Auditor's Office, accurately calculate property tax reduction amounts, or consider whether transfers were needed to the Special Road and Bridge Fund (SRBF) to replace lost property tax revenue.

Section 67.505, RSMo, requires the county to reduce property taxes for a percentage of sales taxes collected. Howell County voters enacted a one-half cent sales tax with a provision to reduce property taxes by 50 percent of sales taxes collected. The county is required to estimate the annual property tax levies to meet the 50 percent reduction requirement and provide for an adjustment for actual sales tax collections of the preceding year that are more or less than the estimate for the preceding year. The county is required to certify to the State Auditor's Office (SAO) the annual property tax levies including the amount the levies are reduced for sales tax collections, as well as any voluntary reductions.

The county did not properly report property tax reductions to the State Auditor's Office. For 2018 through 2021, the county only certified sales tax reductions for both the General Revenue Fund (GRF) and SRBF levies, when both sales tax and voluntary reductions were made. For example, the County Clerk's worksheets for 2021 indicated a required sales tax reduction of \$.2151 per \$100 of assessed valuation, but the county reported to the SAO sales tax reductions totaling \$.3080 per \$100 of assessed valuation. This \$.2151 reduction would not have reduced the GRF levy to \$.0000 but the county further reduced the levy by \$.0608 to get the GRF levy to \$.0000. Then the county also reduced the SRBF levy by \$.0321 to get the SRBF levy to \$.1775. These additional reductions are voluntary reductions but were reported as sales tax reductions. Voluntary reductions could impact the county's tax rate ceiling and the county's ability to increase the levy at the discretion of the County Commission. The County Clerk indicated the County Commission decided upon the actual levies for the GRF and SRBF and the county reported sales tax reductions from the tax rate ceilings to arrive at the decided levies.

The county did not accurately calculate the property tax reduction as the county did not account for any difference between estimated and actual sales taxes collected for the preceding year. The failure to properly account for this difference can either further increase or decrease the sales tax reduction required depending on whether more or less sales tax was actually received than what was estimated.

The county did not consider whether transfers were needed to the SRBF to replace lost property tax revenue to the SRBF due to the reduced property tax levy. The county deposited all of the sales tax revenues to the GRF and none to the SRBF even though some of the SRBF levy was reduced. The county has not considered the effects to the SRBF of any property tax revenues to the SRBF lost due to the sales tax reduction to the SRBF levy.





## Howell County Management Advisory Report - State Auditor's Findings

Section 137.073.5(4), RSMo, provides that a voluntary reduction taken in a non-reassessment year (even year) results in a reduced tax rate ceiling during the subsequent reassessment year (odd year). Additionally, since revenues of the SRBF are required by Section 137.555, RSMo, to be used only for improving and maintaining county roads and bridges, any lost property tax revenues of the SRBF that relate to the sales tax rollback requirement should be reimbursed by the GRF.

According to the County Clerk and County Commission, they set the rates lower than required for the sales tax reduction but were unfamiliar with the need to separate the reduction into a voluntary and sales tax reduction component, and they were unaware of the requirement to account for the difference between estimated and actual sales tax reductions or transfer sales tax revenues from the GRF to the SRBF for any lost property tax revenues.

To ensure property tax levies are properly set and property tax rate ceilings are maintained, property tax levy reductions must be accurately calculated, reported, and certified. Accurate property tax levy reductions are also necessary to determine whether transfers of sales tax revenues are needed to ensure SRBF funds are expended in accordance with state law.

### Recommendation

The County Commission and County Clerk properly calculate and report property tax rate reductions (sales tax or voluntary) and determine whether any transfer is needed to the Special Road and Bridge Fund.

### Auditee's Response

*Howell County has a long tradition of upholding a commitment that was made long ago to the citizens of the county, that if they passed a sales tax, the County Commission would do everything they could to keep the General Revenue tax levy at 0.0000, and as low as possible for the Special Road and Bridge Fund. Since 1985 the County has used an equivalent equation to arrive at the current levy of 0.0000 for General Revenue, even though we could set the levy at a higher rate. The calculation was a benefit to the citizens of Howell County and was a financial disservice to the County. The County will review the recommendation from the State Auditor's Office (SAO) when setting our levy for the upcoming year; however, following the SAO's recommendation may result in an increased levy in subsequent years.*

### Auditor's Comment

While the county's response indicates the tax levies may increase in subsequent years if the county follows the audit recommendation, the recommendation is for the county to calculate and report property tax reductions in accordance with state law. Properly reporting sales tax reductions and voluntary reductions, if applicable, may result in changes to the calculations in subsequent years due to a reduced tax rate ceiling, however, the county may still take voluntary reductions in those years to obtain the tax levy desired. Additionally, Section 137.073.5(4), RSMo,



## Howell County Management Advisory Report - State Auditor's Findings

outlines a process for the county to increase its tax rate, if desired, in the year following the reduction to the tax ceiling.

### 2. Electronic Communication Policy

The county has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms.

Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of records. The guidelines for managing electronic communications records can be found on the Secretary of State's website.<sup>1</sup>

Development of a written policy to address the use of electronic communications is necessary to ensure all documentation of official business of the county is retained as required by state law. The County Commission indicated it was unaware of the record retention requirements and electronic communication guidelines.

### Recommendation

The County Commission work with other county officials to develop a written records management and retention policy to address electronic communications management and retention to comply with Missouri Secretary of State Records Services Division electronic communications guidelines.

### Auditee's Response

*Howell County has contracted with an information technology firm to analyze our cybersecurity. Part of the service they are providing is developing policies and procedures to address the use of electronic communications.*

### 3. County Collector's Commissions

The former County Collector improperly withheld and personally retained commissions on surtax and railroad and utility taxes collected for cities. These commissions totaled \$4,051 for the year ended February 28, 2022.

The collection of surtax and railroad and utility taxes is a part of the County Collector's statutorily required duties, and he should not receive additional compensation for collecting these taxes. However, the former County Collector withheld and personally retained a 3 percent commission and

<sup>1</sup> Missouri Secretary of State Records Services Division, *Electronic Communications Records Guidelines for Missouri Government*, May 14, 2019, is available at <<https://www.sos.mo.gov/CMSImages/LocalRecords/CommunicationsGuidelines.pdf>>, accessed April 25, 2023.



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## Howell County Management Advisory Report - State Auditor's Findings

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retained a penalty charge added to delinquent taxes from surtax and railroad and utility taxes for the cities of West Plains and Willow Springs.

The County Collector and County Commission have written agreements with cities for property tax collection services that provide for the County Collector to personally retain a 3 percent collector commission on all city tax collections and a penalty charge on delinquent taxes. These agreements may be proper if a County Collector is not already required by law to collect the tax in question. Because the collection of surtax and railroad and utility taxes is a statutorily required duty, these contract terms conflict with state law and the County Collector should not receive this additional compensation. The County Collector would collect surtax and railroad and utility money for these cities even if he did not collect city levied property taxes for them. For the year ended February 28, 2022, the County Collector received \$50,793 in commissions for collecting property taxes for cities, \$4,051 of which was received improperly for the collection of surtax and railroad and utility taxes.

Since our prior audit questioned the propriety of withholding commissions on surtax and railroad and utility taxes collected for cities, the former County Collector provided the audit finding and city contracts to 3 law firms and obtained legal opinions in 2020, 2022, and 2023, that he believes supports the practice of withholding commissions on surtax and railroad and utility taxes collected for cities. However, the opinions focus on the authority of the city and county to contract for the provision of services and do not address the fact that the County Collector is already required by law to collect the surtax, railroad, and utility taxes, and that collection of those taxes is not a service that the cities would need to contract with the County Collector to provide.

Section 151.180, RSMo, requires the County Collector to collect all railroad taxes and Section 151.280, RSMo, requires the County Collector to withhold and pay a 1 percent commission on these taxes to the county's General Revenue Fund. Section 153.030, RSMo, requires utility taxes to be levied and collected in the same manner as railroad taxes. Section 139.600, RSMo, requires the collection of surtax, including those amounts distributed to the cities, to be a statutory responsibility of county collectors, and commissions retained on surtax collections should be distributed to the county's General Revenue Fund.

A similar condition was noted in our prior audit report.

## Recommendation

The County Collector discontinue personally retaining commissions withheld on surtax and railroad and utility taxes and distribute these collections in accordance with state law.



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Howell County  
Management Advisory Report - State Auditor's Findings

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## Auditee's Response

*The current County Collector provided the following response:*

*As the newly elected County Collector of Howell County, I agree with the auditor's findings that commissions should not have been personally retained on surtax and railroad and utility taxes collected for the cities, and I ceased this practice immediately upon taking office.*

*I have and will abide by the statutes stated in your findings as I know that is my statutory duty. I look forward to any input from the SAO on any recommendations for the office of County Collector so the citizens of our county will know it is ran with honesty and integrity.*

*The former County Collector provided the following response:*

*Article VI, Section 16, of the Missouri State Constitution, along with Sections 50.332 and 70.220, of the Revised Statutes does allow local governments to contract and cooperate with one another to provide service.*

*The current co-operative agreements for the collection of city taxes between the City Councils, County Commission and County Collector in Howell County began nearly 40 years ago, and were mutually negotiated and agreed to by all parties and are still in effect today. The process to establish the terms and conditions of these agreements is well publicly documented by minutes of meeting and newspaper accounts, dating back to 1984.*

*Now nearly four decades later, and after 12 State Auditor Office audits, and many more independent audits (approximately 60), a provision in these long time co-operative agreements is being questioned by the State Auditor's Office.*

*This finding was first presented by the Auditor's Office after the previous audit. At that time the explanation given for the finding did not seem to ring true. It was suggested that an independent legal opinion might be appropriate.*

*In an attempt to confirm if the existing agreements indeed have legal foundation, the Collector reached out to three prominent attorneys and requested a thorough review of these long time co-operative agreements, and the State Auditor's finding. These attorneys are associated with three much respected law firms within the state and outside of this area. Each of the three attorneys responded with self-explanatory opinions that substantially concluded the same, that found the co-operative agreements in place are proper and "is constitutional and enforceable".*



Howell County  
Management Advisory Report - State Auditor's Findings

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**Auditor's Comment**

The County Collector is required by the statutes indicated in our finding to collect railroad and utility taxes and also surtax. A cooperative agreement is not needed to collect these taxes and the statutes require the commission withheld to be distributed to the county's General Revenue Fund. Cooperative agreements are needed to collect other city property taxes, and retention of these commissions is allowable. The concern is not cooperative agreements, but rather retention of personal commissions for collecting taxes that are already statutorily required to be collected by the County Collector. Any commissions received for collecting taxes the County Collector is required to collect by law are required to be distributed to the county's General Revenue Fund.

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# Howell County

## Organization and Statistical Information

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Howell County is a county-organized, third-class county. The county seat is West Plains.

Howell County's government is composed of a three-member county commission and separate elected officials performing various tasks. All elected officials serve 4-year terms. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens. In addition to elected officials, the county employed 110 full-time employees and 14 part-time employees on December 31, 2021.

In addition, county operations include the Senate Bill 40 Board.

### Elected Officials

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below:

Officeholder	2022	2021
Mark B. Collins, Presiding Commissioner	\$	40,281
Calvin Wood, Associate Commissioner		39,740
Billy Sexton, Associate Commissioner		39,740
Jeffrey Brasier, Recorder of Deeds		57,181
Kelly Waggoner, County Clerk		57,181
Michael P. Hutchings, Prosecuting Attorney (1)		69,888
Brent Campbell, Sheriff		65,535
Nancy Franz, County Treasurer		57,181
James T. Cherry, County Coroner		22,331
John Pruett, Public Administrator		59,181
Dennis K. Von Allmen, County Collector (2), year ended February 28,	108,536	
Daniel Franks, County Assessor, year ended August 31,		56,936
Ralph Riggs, County Surveyor (3)		

- (1) The Prosecuting Attorney was a part-time position until January 3, 2023, when the Prosecuting Attorney became a full-time position. Voters approved this change during the August 2, 2022, elections.
- (2) Includes \$50,793 of commissions received for collecting property taxes for cities.
- (3) Compensation on a fee basis.

### Other Information

In April 2022, Howell county voters approved an additional county-wide sales tax of one-fourth of one percent for ten years for law enforcement services.





# Scott Fitzpatrick

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## Missouri State Auditor

### City of Holland

Report No. 2023-026

June 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the City of Holland

Background	Jessica Roach served as Acting Mayor from at least December 2017 until April 19, 2021, when a new Mayor was elected and took office. Prior to becoming the Acting Mayor, Ms. Roach served as the City Clerk. However, upon becoming Acting Mayor she did not appoint aldermen to fill vacant Board positions or cause a special election in accordance with city code. This allowed her, and the part-time City Clerks during her tenure, to manage the city without Board oversight.
Missing Money, Misappropriated Money and Services, and Nepotism	From January 1, 2018, through April 19, 2021, at least \$69,029 of money and utility services was not deposited and/or was misappropriated from the city. The Acting Mayor did not deposit city receipts totaling at least \$66,480, and she did not pay for her utility services totaling \$2,036 and city property taxes totaling \$213. She also improperly paid herself \$300. A review of the Acting Mayor's personal bank accounts noted large cash deposits totaling \$66,194 that could indicate missing city cash receipts were deposited into her personal account. The Acting Mayor indicated the cash deposits were a result of vaping device, t-shirt, and fireworks cash sales. However, a comparison of the timing of those transactions and the deposits into her personal account show the cash deposits cannot be fully attributed to these transactions and remain unexplained. In addition, the Acting Mayor hired and paid her daughter \$800 to serve as the City Clerk from February 2021 through April 2021 in violation of the Missouri Constitution. The current Mayor hired his sister on July 22, 2021, to be the City Clerk after the former City Clerk resigned.
Oversight, Annual Audits, Bonding, and City Ordinances	A Board of Aldermen was not established to provide oversight; annual audits of the city's utility system were not obtained as required by state law; city officials with access to city money were not bonded; and city codes and ordinances were incomplete, not indexed, not enforced as written, and not up to date.
Accounting Controls and Procedures	City receipting, recording, transmitting, and depositing procedures were poor. The Acting Mayor and former City Clerks did not prepare bank reconciliations for any of the city's bank accounts, maintain checkbook registers or book balances, account for all checks and issue checks in numerical order, or monitor the city's cash balances. Numerous financial records were not retained, including supporting documentation for more than \$150,000 in disbursements, which were payments for utilities, insurance, postage, etc.
Utility System Controls and Procedures	The Acting Mayor and former City Clerks made adjustments to customer utility statements without obtaining independent approval or maintaining adequate documentation to support the reasons for the adjustments. City personnel did not prepare reconciliations related to utility services. Neither the Acting Mayor nor the former City Clerks prepared a list of customer utility deposits to periodically reconcile to balances in the city's meter bank account. The city did not file or remit sales tax collected related to the utility services for several periods, and as a result, still owes sales taxes to the Department of Revenue.



Contracted Workers	The Acting Mayor did not document the basis for classifying former City Clerks, maintenance workers, and the water/sewer operator as independent contractors rather than employees, and these employees were misclassified as independent contractors. Former City Clerks, maintenance workers, and the water/sewer operator did not prepare timesheets or other documentation of work performed, and text messages documenting hours worked by a former City Clerk were not retained.
Budgets and Financial Reporting	City officials did not prepare a budget for the years ended December 31, 2021, 2020, 2019, and 2018. City officials did not file timely annual financial reports with the State Auditor's Office as required by state law. The city did not publish financial statements for the years ended December 31, 2020, 2019, and 2018. As a result, information regarding the city's financial activity and condition was not available to citizens.
Electronic Communication Policy	The city has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Service Division guidance.

In the areas audited, the overall performance of this entity was **Poor**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# City of Holland

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the Honorable Mayor  
and  
Members of the Board of Aldermen  
City of Holland, Missouri

We have audited certain operations of the City of Holland as they relate to the city finances in fulfillment of our duties under Chapter 29, RSMo. Due to concerns regarding missing or misappropriated money, the State Auditor initiated the audit with the approval of the City of Holland Board of Aldermen. The scope of our audit included, but was not necessarily limited to, the period of January 1, 2018, through April 19, 2021. The objectives of our audit were to:

1. Evaluate the city's internal controls over significant management and financial functions.
2. Evaluate the city's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.
4. Determine the extent of money missing and/or misappropriated from the city, if any.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the city, as well as certain external parties; verifying utility payments with customers; and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the city's management and was not subjected to the procedures applied in our audit of the city.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, (3) the need for improvement in management practices and procedures, and (4) missing and misappropriated money and services totaling at least \$69,029. The accompanying Management Advisory Report presents our findings arising from our audit of the City of Holland.

A handwritten signature in black ink, reading "S. Fitzpatrick". The signature is written in a cursive style with a large, stylized "S" and "F".

Scott Fitzpatrick  
State Auditor

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# City of Holland

## Introduction

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### Background

Jessica Roach served as Acting Mayor<sup>1</sup> from at least December 2017<sup>2</sup> until April 19, 2021, when a new Mayor was elected and took office. Prior to becoming the Acting Mayor, Ms. Roach served as the City Clerk. However, upon becoming Acting Mayor she did not appoint aldermen to fill vacant Board positions or cause a special election in accordance with city code, Section 21.170. This allowed her, and the part-time City Clerks during her tenure as Mayor, to manage the city without Board oversight.

Jonathan Williams served as the part-time City Clerk from December 2017 to February 2021.<sup>3</sup> Ashley Roach, daughter of Jessica Roach, served as the City Clerk from February 2021 to April 2021.<sup>4</sup> The Acting Mayor and former City Clerks were responsible for the following financial accounting functions and records of the city from December 2017 to April 2021.

- Receipting - The City Clerks collected and recorded money collected.
- Transmitting and depositing - The Acting Mayor gathered city receipts from City Hall, and prepared and made bank deposits.
- Disbursements - The Acting Mayor received invoices for payment; prepared, signed (sole signer), and distributed checks; maintained supporting documentation; and transferred money between bank accounts.
- Payroll - The City Clerks reported hours worked to the Acting Mayor. The Acting Mayor prepared, signed (sole signer), and distributed payroll checks. The City Clerks were generally paid once a week.
- Utilities (water and sewer) - Former City Clerk Williams or a contracted maintenance worker read meters at the main pump and at each utility customer location. The City Clerk prepared and mailed utility bills to customers. The Acting Mayor authorized adjustments to utility bills and shutoffs for delinquent accounts.
- Property Taxes - The Pemiscot County Collector's office prepared annual city property tax statements and provided the statements to the city in

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<sup>1</sup> Former Acting Mayor Jessica Roach is referred to as the Acting Mayor throughout this report.

<sup>2</sup> It is unclear when and how Jessica Roach began serving as the Acting Mayor because there was no record (Board meeting minutes) or testimony of a formal appointment, and no evidence that a Board existed to make the appointment. However, the Acting Mayor was the only signer of city checks as of December 2017.

<sup>3</sup> The city could not provide the dates of employment for City Clerk Jonathan Williams; however, he was paid by city check from at least December 2017 to February 2021.

<sup>4</sup> The city could not provide the dates of employment for City Clerk Ashley Roach; however, she was paid by city check from February 2021 to April 2021.



## City of Holland Introduction

October of each year. Former City Clerk Williams subsequently mailed the statements in November of each year and the 2 former City Clerks collected payments.

In April 2021, the State Auditor's Office (SAO) Whistleblower Hotline received a complaint from the newly elected Mayor about operations and finances of the City of Holland. The SAO subsequently conducted an initial review of these matters in July 2021, under Section 29.221, RSMo. After review of the documentation and communications provided, the SAO determined further investigation was warranted under Section 29.221, RSMo.

On August 30, 2021, the City of Holland's new Board of Aldermen passed an ordinance formally requesting and authorizing an audit by the SAO, and the SAO subsequently agreed to conduct the audit under Chapter 29, RSMo. The SAO began the audit in November 2021.

SAO auditors recorded interviews with the Acting Mayor on March 15, 2022, and again on October 12, 2022. The SAO issued a subpoena to the Acting Mayor (see Appendix A) to compel her to produce records and documents related to her testimony. Appendix A includes redactions of information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena. SAO auditors also recorded interviews with the former Mayor, former City Clerk Williams, and a former contracted maintenance worker, and requested copies of any city records they possessed that supported their statements.

The Pemiscot County Prosecuting Attorney and the Missouri State Highway Patrol (MSHP) investigated and obtained personal bank records<sup>5</sup> and credit card statements<sup>6</sup> of the Acting Mayor, and provided those records to the SAO for review.

The city's fiscal year is January 1 through December 31. The scope of our audit included, but was not necessarily limited to the period January 1, 2018, through April 19, 2021, the approximate time period of the Acting Mayor's known service. We applied procedures to city receipt, payroll, disbursement, and utility transactions to identify the amount of missing and/or misappropriated money and methods used to perpetrate and conceal the theft.

<sup>5</sup> Personal bank records were obtained for the period of January 1, 2018, to December 31, 2021.

<sup>6</sup> Personal credit card statements were obtained for the period of October 1, 2020, to December 31, 2021.

# City of Holland

## Management Advisory Report

### State Auditor's Findings

#### 1. Missing Money, Misappropriated Money and Services, and Nepotism

From January 1, 2018, through April 19, 2021, at least \$69,029<sup>7</sup> of money and utility services was not deposited and/or was misappropriated from the city. In addition, the Acting Mayor hired and paid her daughter to serve as the City Clerk in violation of the Missouri Constitution.

##### 1.1 Missing and Misappropriated Money and Utility Services

The Acting Mayor did not deposit city receipts totaling at least \$66,480. Also the Acting Mayor did not pay for her utility services totaling \$2,036 and city property taxes totaling \$213. She also improperly paid herself \$300.

The following table provides a summary of the amounts missing and/or misappropriated and identifies the appendixes where specific details are reported.

	Year Ended December 31,			January 1 through April 19,	Unknown	Total
	2018	2019	2020	2021	(1)	
Undeposited utility receipts (Appendix B)	\$ 571	2,065	8,770	140	2,798	14,344
Estimated undeposited utility receipts (Appendix C)	19,780	16,921	8,347	3,701	0	48,749
Undeposited property tax receipts (Appendix D)	0	0	247	207	74	528
Estimated undeposited property tax receipts	1,131	1,728	0	0	0	2,859
Total undeposited and estimated undeposited receipts	21,482	20,714	17,364	4,048	2,872	66,480
Acting Mayor's:						
Utility services not paid (Appendix E)	0	0	588	220	0	808
Estimated utility services not paid	614	614	0	0	0	1,228
Property taxes not paid	58	80	75	0	0	213
Improper payment	0	0	0	300	0	300
Total	\$ 22,154	21,408	18,027	4,568	2,872	69,029

(1) Documentation for these receipts did not indicate a payment date and the payment date is unknown. Decreases in utility balances were written on manual monthly utility statements indicating utility payments were made between billing cycles. The property tax receipts were likely received between November 1, 2020, and April 30, 2021, based on the property tax year. These payments were likely made in cash because no check or money order for these payments was located in the deposit support and the method of payment (cash, check, or money order) was not indicated in city records.

<sup>7</sup> Amounts presented in the report findings are rounded to the nearest dollar, whereas amounts presented in appendixes are not rounded.



City of Holland  
Management Advisory Report - State Auditor's Findings

Undeposited and estimated  
undeposited utility receipts

The Acting Mayor did not deposit all utility receipts collected during the period January 1, 2018, through April 19, 2021, and the money is missing. For the periods in which utility records were not available, we estimated the amount of undeposited utility receipts that are likely missing.

Undeposited utility receipts

The Acting Mayor did not deposit \$14,514 of recorded utility receipts into the city's bank account. Of that, \$170 in cash was used to pay 7 city invoices. As a result, \$14,344 was not deposited and is missing (see Appendix B).

The former City Clerk typically recorded utility payments on manual utility statements; however, most of these records were not retained for the periods reviewed. We compared recorded payments to deposits to determine the amount of undeposited utility receipts. The former City Clerks typically recorded the method of payment (cash, check, or money order) on the manual utility statements retained; however, the method of payment was not always recorded accurately. The method of payment noted in Appendix B was determined by comparing available payment records to the contents of the deposits.

The majority of the undeposited receipts were recorded as cash payments (\$9,151).<sup>8</sup> The remaining undeposited receipts (\$5,193) were recorded as check and money order receipts, or were receipts with unknown methods of payment. However, it is likely these were cash receipts because no checks or money orders for these payments were located in the contents of the deposits. One utility customer, who responded to our inquiry, indicated he made cash payments, in person, at city hall and provided us copies of receipt slips and utility statements, totaling \$2,502, that were marked paid. The Acting Mayor and former City Clerks did not retain most of this customer's receipt slips and utility statements, and these recorded receipts were not deposited into the city's bank accounts. Other customers signed affidavits<sup>9</sup> indicating they made payments for utility services, including cash payments; however, these payments were not deposited into the city's bank accounts.

In a recorded interview, the Acting Mayor indicated she occasionally used city cash receipts to make city purchases. In response to a subpoena, she provided vendor statements showing city purchases made with cash. We confirmed with these vendors that the identified invoices, totaling \$170, were paid with city cash receipts.

<sup>8</sup> The \$9,151 is recorded cash receipts totaling \$9,471, less \$150 cash deposited and \$170 cash receipts used to pay city invoices. See Appendix B for details.

<sup>9</sup> City utility customers signed affidavits and provided them to the City of Holland indicating they made utility payments, including cash payments; however, receipt slips indicating the date and amount of each payment were not provided by these customers. Current city officials provided these affidavits to our office.





## City of Holland Management Advisory Report - State Auditor's Findings

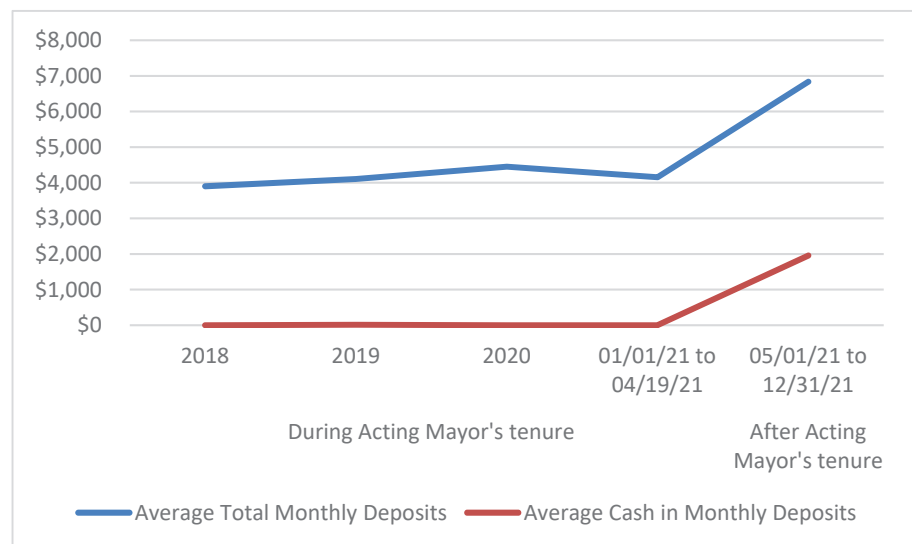
### Estimated undeposited utility receipts

The Acting Mayor did not deposit an estimated additional \$48,749 of utility receipts during 35 months from February 2018 through April 2021. Manual utility statements with recorded receipts were not retained for the periods of February 2018 through December 2019; March, April, June, and July 2020; and September 2020 through April 2021. We estimated utility billings and receipts for these months based on the average monthly 2020 billings for the months of January, February, May, and August and the actual collection percentage (90 percent) for the 2020 months with receipt records (February, March, June, and September).<sup>10</sup> We compared this to actual deposits and determined an estimated \$48,749 was not deposited (see Appendix C).

### Amount of utility receipts deposited increased after Acting Mayor's termination

As shown in Figure 1.1, total deposits and the cash included in those deposits increased significantly after the Acting Mayor's termination. We compared the average monthly total deposit and cash included in those deposits during the approximately 40 months of the Acting Mayor's tenure (December 2017 to April 2021) to the average total monthly deposits and amount of cash included in those deposits after the Acting Mayor's termination (May 2021 to December 2021). According to city utility statement records there was a 5 percent rate increase in January 2020, but no significant change in the number of utility customers that would explain the increase in amounts deposited after the Acting Mayor's termination. The increase is a further indication that cash utility receipts were not deposited and are missing.

Figure 1.1: Average total monthly deposits and cash deposited during and after Acting Mayor's tenure



### Undeposited and estimated undeposited property tax receipts

The Acting Mayor did not deposit some property tax receipts collected for tax years 2018 to 2020, and the money is missing. In addition, during periods in

<sup>10</sup> Amounts billed each month are collected/receipted in the following month.



City of Holland  
Management Advisory Report - State Auditor's Findings

which property tax records were not available, we estimated the amount of undeposited property tax receipts that are likely missing.

Undeposited property tax receipts

The Acting Mayor did not deposit \$528 of recorded property tax payments collected for the 2020 property tax year (see Appendix D). At least \$454 of these property tax payments were made in cash.

The former City Clerks recorded property tax payments on the 2020 property tax statements. We compared payments recorded on the statements retained to bank deposits to determine the amount undeposited. The methods of payment were typically noted on the property tax statements; however, for report purposes, the methods of payment noted in Appendix D were based on the form of payment included in the deposit.

Estimated undeposited property tax receipts

The Acting Mayor did not deposit an estimated additional \$2,859 in property tax receipts for tax years 2018 and 2019. A review of property tax deposits showed no cash deposited from January 1, 2018, through December 31, 2019. In comparison, the city received cash payments for property taxes in 2020, indicating at least some of this estimated missing money is cash.

Paid property tax statements were not retained for the 2018 and 2019 tax years. We obtained city property tax billings from the Pemiscot County Clerk for each year to determine the total amount due. We then estimated the amount collected and compared that to amounts deposited to determine any estimated undeposited property tax receipts. According to paid property tax statements retained for tax year 2020, property tax billings totaled \$6,922 and property tax collections totaled \$5,837, an 84 percent collection rate. We estimated property taxes collected by applying this same percentage (84 percent) to the 2018 and 2019 property tax billings and compared this to property tax receipts deposited to determine the following estimated undeposited property taxes during these 2 years:

	Tax Year	
	2018	2019
Property Tax Billings	\$ 6,510	6,655
Property Tax Collection Percentage	84%	84%
Estimated Property Tax Receipts	5,468	5,590
Less Property Taxes Deposited	(4,337)	(3,862)
Estimated Undeposited Property Taxes	\$ 1,131	1,728

Personal bank account and credit card

A review of the Acting Mayor's personal bank accounts noted large cash deposits totaling \$66,194 that could indicate missing city cash receipts were deposited into her personal account.

We compared the cash deposited into the Acting Mayor's personal bank accounts and cash used to purchase money orders to pay her personal credit



City of Holland  
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card from January 1, 2018, to April 22, 2021, to the total known and estimated undeposited city receipts from January 1, 2018, to April 19, 2021, below:

Time Period	Total Cash Deposited or Used for Personal Purposes	Total Known and Estimated Undeposited City Receipts
2018	\$ 10,680	21,482
2019	15,205	20,714
2020	33,584	17,364
January 1 to April 19, 2021	15,940 (1)	4,048
Unknown	N/A	2,872
Total	\$ 75,409	66,480

(1) Cash totaling \$900 deposited into the Acting Mayor's personal bank account on April 22, 2021, (after her termination) is possible city cash receipts and is included here.

The Acting Mayor indicated in a recorded interview that the cash deposits were a result of vaping device, t-shirt, and fireworks cash sales. However, a comparison of the timing of those transactions and the deposits into her personal account show the cash deposits cannot be fully attributed to these transactions and remain unexplained.

In response to a subpoena, the Acting Mayor provided information showing vaping devices were shipped from October 2020 to March 2021 and provided nothing to support cash sales. We confirmed the Acting Mayor made vaping device purchases using her personal credit card costing \$9,391 during this same time period. The Acting Mayor deposited \$24,225 of cash and \$628 in Cash App Square Inc. credit card receipts into her personal bank account during this time. If every vaping device shipped was sold and the cash proceeds deposited into the Acting Mayor's personal bank account, the vaping devices would have been sold at a 265 percent markup. Further, \$41,968 of the cash deposited into the Acting Mayor's personal bank account was deposited prior to the known purchases of any vaping devices and cannot be explained by vaping device sales.

The Acting Mayor also provided documentation showing she purchased \$1,093 in products from a t-shirt vendor during the 3 years ended December 31, 2020, and her personal bank account showed she deposited \$1,122 in checks for t-shirt sales during this same time period.

Further, in her October 2022 recorded interview, the Acting Mayor indicated she also had cash sales for fireworks and likely profited a "couple thousand dollars." Based on our review of the Acting Mayor's personal accounts she purchased \$3,953 in fireworks from June 9 to 17, 2020, and made Cash App Square Inc. credit card deposits totaling \$4,547 from June 23 to July 6, 2020. The Acting Mayor made cash deposits on June 23 and 24, 2020, totaling



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City of Holland  
Management Advisory Report - State Auditor's Findings

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\$2,115, but made no other cash deposits into her personal bank account until the end of August 2020.

The Acting Mayor provided no other documentation of specific cash sales and subsequent cash deposits into her personal bank account to support her contention that the deposits were related to the sale of vaping devices, t-shirts, and fireworks.

In addition, a review of the Acting Mayor's personal credit card activity from October 2020 to April 2021, showed the Acting Mayor used \$9,215 in money orders to make payments on her personal credit card balance. The Acting Mayor's personal bank account activity showed no evidence the money orders were purchased with funds from the bank account (cash withdrawals, debit purchases, or checks). Missing city cash receipts may have been used to purchase these money orders.

Finally, we reviewed the amount of cash deposited into the Acting Mayor's personal account before and after her termination in 2021 and noted the amount decreased significantly after her termination. The Acting Mayor deposited \$14,200 of cash into her personal bank accounts for the first 4 months of 2021, but only deposited \$7,250 total in cash during the next 8 months of 2021 after her termination. This further indicates that the cash activity in the Acting Mayor's personal bank accounts may not be solely attributable to her personal business activities.

Utility services and property  
taxes not paid

The Acting Mayor did not pay for her utility services totaling \$808 from January 1, 2020, to April 30, 2021, and an estimated \$1,228 for her utility services from January 1, 2018, to December 31, 2019. The Acting Mayor also did not pay her city property taxes totaling \$213 for the 2020, 2019, and 2018 tax years. The city could not locate the Acting Mayor's utility statements and records of payments made for the period January 1, 2018, to April 2021, and our review of all city bank deposits showed the Acting Mayor made no payments for utility service until after her termination. The payments made after her termination related only to current utility charges. The Acting Mayor paid her 2021 (current year) property taxes in October 2021 after her termination.

The Acting Mayor's utility billings from January 2020 through April 30, 2021, were calculated using her actual meter readings (see Appendix E). City officials and personnel did not retain meter readings for 2018 and 2019, so we calculated the estimated unpaid utility billings during this period based on



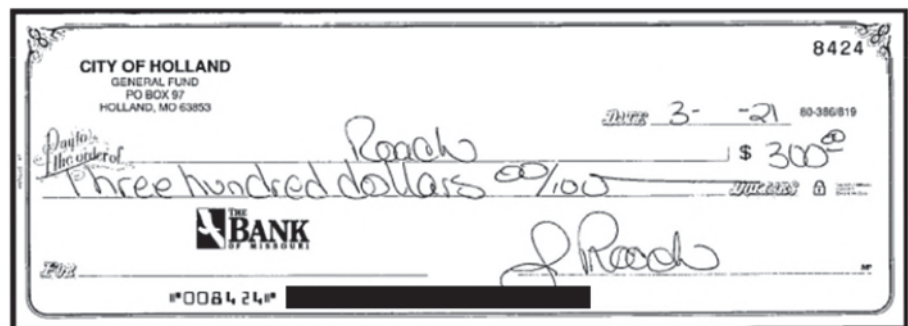
## City of Holland Management Advisory Report - State Auditor's Findings

the Acting Mayor's average monthly billings during eleven months of 2020 and the first four months of 2021, or \$614<sup>11</sup> annually for 2018 and 2019.

In a recorded interview the Acting Mayor indicated she paid her utility bill in cash; however, as noted above very little cash was deposited into the city's bank accounts during this timeframe.

### Improper payment

In March 2021 (just prior to the new Mayor's election), the Acting Mayor deposited the following \$300 improper payment<sup>12</sup> into her personal bank account on March 19, 2021.



This check was prepared and signed in the scripted handwriting of the Acting Mayor. In a recorded interview, the Acting Mayor indicated she probably paid herself because the former City Clerk had resigned, and she was performing additional duties. However, she retained no documentation (e.g., timesheet or invoice) to support this payment and this was not approved or signed by any other city official. In addition, during this time, the Acting Mayor's daughter was paid to serve as City Clerk.

### Overall Conclusion

The lack of segregation of duties and inadequate controls, and the absence of proper oversight, as discussed in the remainder of this report, resulted in undeposited receipts, utility services and property taxes not paid, and an improper payment going undetected for a significant period of time.

## 1.2 Nepotism

The Acting Mayor hired and paid her daughter \$800 to serve as the City Clerk from February 2021 through April 2021 in violation of the Missouri Constitution. The Acting Mayor prepared and signed 4 checks in her scripted handwriting that were issued to her daughter for serving as City Clerk (a \$150 check dated February 25, a \$200 check dated March 21, a \$250 check dated

<sup>11</sup> Auditors calculated an average monthly billing of \$53.85 from the eleven months in 2020 that a bill was due and the first 4 months of 2021. We reduced the average by 5 percent for 2018 and 2019 because the base charge for water usage increased 5 percent in 2020.

<sup>12</sup> Redactions (notated in black) are of information of a personal, privileged, or sensitive nature. The day of the month the check was issued and the first name on the check were blank in the imaged copy we received from the bank.



## City of Holland Management Advisory Report - State Auditor's Findings

April 1, and a \$200 check dated April 8). As noted in MAR finding number 5.2, timesheets or other records of work performed were not prepared or retained to support these payments.

While the checks were written to the Acting Mayor's daughter, the Acting Mayor deposited the April 1, \$250 check into the city's bank account with other city receipts on April 9, 2021. It is unclear why the Acting Mayor would deposit a check issued to, and endorsed by, her daughter into the city bank account. Because this was deposited into the city account and could have been cashed with city cash receipts or deposited to cover missing cash receipts noted above, it is considered a credit against the amount of missing cash receipts in Appendix B.

### Current City Clerk

The Mayor hired his sister on July 22, 2021, to be the City Clerk after the former City Clerk resigned. Two Board members subsequently approved her hiring on July 30, 2021, as documented in a memo; however, no vote was taken regarding her appointment. The current Mayor also signs his sister's checks.

### Conclusion

Article VII, Section 6, Missouri Constitution, provides that any public official who names or appoints to public office or employment any relative within the fourth degree shall forfeit his or her office. Discussions and decisions concerning situations in which potential nepotism exist should be completely documented so the public has assurance that no city official has benefited improperly. Current Board members indicated they were not aware of the importance of documenting such appointments.

## Recommendations

The Board of Aldermen:

- 1.1 Work with law enforcement officials regarding criminal prosecution of the undeposited receipts, utility services and property taxes not paid, and the improper payment; and take the necessary actions to obtain restitution.
- 1.2 Ensure compliance with the Missouri Constitution related to the hiring or appointment of relatives and approve and document hiring decisions.

## Auditee's Response

- 1.1 *We will work with law enforcement regarding criminal prosecution and take necessary actions to obtain restitution.*
- 1.2 *We will work to ensure compliance with the Missouri Constitution related to hiring or appointment of relatives.*





City of Holland  
Management Advisory Report - State Auditor's Findings

## **2. Oversight, Annual Audits, Bonding, and City Ordinances**

A Board of Aldermen was not established to provide oversight; annual audits of the city's utility system were not obtained as required by state law; city officials with access to city money were not bonded; and city codes and ordinances were incomplete, not indexed, not enforced as written, and not up to date.

### **2.1 Oversight and segregation of duties**

From January 1, 2018, to April 19, 2021, the city did not have a Board of Aldermen to govern the city, supervise the Acting Mayor, and establish internal controls, including segregation of duties over the various financial accounting functions. Weaknesses identified throughout this report are significant and demonstrate a lack of internal controls and oversight that allowed money to go missing and funds to be misappropriated. In addition, while a Board is now in place, the current Board does not provide sufficient oversight because it does not review bank statements and continues to allow related parties to work at the city without proper controls as noted in MAR finding number 1.2.

Good management practices require extensive and detailed oversight by a Board and sufficient controls in place to ensure city money is adequately safeguarded. Proper segregation of duties would help ensure transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties is not possible, timely supervisory or independent reviews of bank records and work performed, and investigation into unusual items and variances is necessary. The current Board indicated it was unaware of the importance of segregating duties and performing independent supervisory reviews.

### **2.2 Annual audits**

The city did not obtain an annual audit of its utility system for at least the years ended December 31, 2022, 2021, 2020, 2019, and 2018, as required by state law. Section 250.150, RSMo, requires the city to obtain annual audits of the combined waterworks and sewerage system, and the cost of the audit is to be paid from revenues received from the system. The current Board and Acting Mayor indicated they were not aware of this requirement.

### **2.3 Bonding**

The Acting Mayor, who signed checks and had access to money held in bank accounts, was not covered by a bond. Failure to properly bond individuals with access to city funds exposes the city to risk of loss. Had the city obtained bond coverage, some or all of the missing money and improper payments may have been covered and reimbursed by a bonding company. The Acting Mayor indicated she not aware of the importance of bonding all individuals with access to city money. In addition, there was no Board to provide oversight of city operations.



City of Holland  
Management Advisory Report - State Auditor's Findings

## 2.4 City codes and ordinances

City codes and ordinances are not complete and have not been updated as follows:

- The city does not have ordinances establishing the compensation of city officials and employees as required by Section 21.150 of city code.
- City codes and ordinances are poorly maintained, and an index of all city codes and ordinances passed and rescinded by the city is not maintained, making it difficult to determine which city codes and ordinances remain in effect.
- Many city codes and ordinances are old and out-of-date. City codes and ordinances authorizing utility rates charged to customers, the amount of utility deposits required for service, and connection and reconnection fees have not been updated and do not reflect the current amounts charged for utility services. In addition, city code indicated the reconnection fee was \$10 while the city ordinance indicated it was \$30.

Because ordinances passed by the Board to govern the city and its residents have the force and effect of law, it is important ordinances are current and complete. In addition, city codes and/or ordinances documenting approved compensation and utility rates help ensure equitable treatment and prevent misunderstandings. Section 79.270, RSMo, authorizes the Board to fix the compensation of city officials and employees by ordinance. Because there was no Board, city codes and ordinances were not updated. Current Board members indicated they are in the process of updating city codes and ordinances.

## Recommendations

The Board of Aldermen:

- 2.1 Segregate accounting duties to the extent possible and implement appropriate reviews and monitoring procedures.
- 2.2 Obtain annual audits of the utility system as required by state law.
- 2.3 Obtain and maintain bond coverage for all city personnel with access to city money and other assets.
- 2.4 Establish the compensation of all city officials and employees by ordinance, ensure city codes and ordinances are maintained in a complete and well-organized manner, establish an index of all city codes and ordinances passed and rescinded, and update city codes and ordinances for amounts charged related to utility services.

## Auditee's Response

- 2.1 *We will implement appropriate reviews and monitoring procedures.*





City of Holland  
Management Advisory Report - State Auditor's Findings

- 2.2 *We will obtain annual audits of the utility system as required by state law.*
- 2.3 *We will obtain and maintain bond coverage for all city personnel with access to city money and other assets.*
- 2.4 *We will work on establishing, updating and maintaining all city codes and ordinances in a complete and well-organized manner, and establishing an index of all city codes and ordinances passed and rescinded.*

### 3. Accounting Controls and Procedures

#### 3.1 Receipting, recording, transmitting, and depositing

Accounting controls and procedures need improvement. City receipts totaled approximately \$271,000 and disbursements totaled approximately \$268,000 for the general and water operating bank accounts from January 1, 2018, to April 30, 2021.

City receipting, recording, transmitting, and depositing procedures were poor.

- Official prenumbered receipt slips were not issued for all money received, and paid utility and property tax statements were not always retained. Unrecorded receipts totaling approximately \$162,000 were deposited from January 1, 2018, to April 30, 2021.
- The method of payment (cash, check, or money order) was not always recorded on utility or property tax statements. We also noted instances in which the method of payment was inaccurately recorded on utility and property tax statements. For example, some payments recorded as cash were included in the deposits as a check payment, and some recorded check payments were not included in the related deposits and were likely cash payments.

In addition, the former City Clerks indicated the Acting Mayor picked up city receipts for deposit, but the transmittal of those receipts between the former City Clerks and Acting Mayor was not documented. The Acting Mayor also did not reconcile the composition of receipts to the composition of deposits, and current city officials also do not perform this reconciliation.

- The Acting Mayor did not always deposit receipts intact and timely. For example, 9 checks dated between June 2 and 24, 2020, totaling \$508 were not deposited until July 16, 2020. In addition, the Acting Mayor indicated in recorded interviews, she sometimes used cash receipts to pay city invoices as discussed in MAR finding number 1.1 and typically left some of the smaller dollar currency (ones, fives, and tens) from cash receipts with the former City Clerks to be used for change. This change fund was not maintained at a constant amount.



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City of Holland  
Management Advisory Report - State Auditor's Findings

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Failure to implement adequate receipting, recording, transmitting, and depositing procedures increases the risk that loss, theft, or misuse of money will occur and go undetected. The city's failure to properly receipt, record, transmit, and deposit money helped conceal the missing money and misappropriations discussed in MAR finding number 1.1. In recorded interviews, the Acting Mayor indicated she generally did not have time to ensure all accounting duties were adequately performed.

### 3.2 Bank reconciliations and accounting records

The Acting Mayor and former City Clerks did not prepare bank reconciliations for any of the city's 8 bank accounts, maintain checkbook registers or book balances, account for all checks and issue checks in numerical order, or monitor the city's cash balances.

Based on checks that cleared the bank accounts from January 1, 2018, to April 30, 2021, there were 13 instances in which 1 or more check numbers were skipped, resulting in 17 skipped checks whose disposition (unused, voided, issued but outstanding, etc.) could not be determined. In addition, during this same time period 54 checks were written out of order, including 34 checks issued to the city's contracted workers.

The Acting Mayor also failed to monitor the city's cash balances, and as a result, the city incurred \$247 in overdraft charges in the general and water bank accounts during 2020. In recorded interviews the Acting Mayor indicated she generally did not have time to perform all accounting duties required and sometimes issued checks in advance, if she was going to be out of town.

Performing monthly bank reconciliations helps ensure receipts and disbursements have been properly handled and recorded, and increases the likelihood errors will be identified and corrected timely. Maintaining a checkbook register, book balance, and a list of disbursements for each account would aid in preparing the monthly bank reconciliations and monitoring the bank balances. In addition, issuing checks in numerical sequence and accounting for the numerical sequence of checks issued would help to properly account for all disbursements and reduce the risk of unauthorized transactions.

### 3.3 Supporting documentation and record retention

Numerous financial records were not retained. Manual receipt slips, utility and property tax statements, and supporting documentation for disbursements could not be located by the city. City officials could not provide supporting documentation (e.g., invoices) for over \$150,000 in disbursements, including payments for utilities, insurance, postage, etc.

To ensure obligations were incurred and amounts paid are proper, all disbursements should be supported by itemized vendor invoices or other detailed documentation with payment information clearly indicated. Retention of records is necessary to ensure the validity of transactions and



## City of Holland Management Advisory Report - State Auditor's Findings

provide an audit trail. Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of records. Record retention schedules can be found on the Secretary of State's website.<sup>13</sup>

The Acting Mayor and former City Clerks indicated they were not aware of the importance of maintaining invoices and other supporting documentation. The Acting Mayor may have disposed of these records to help conceal the misappropriations discussed in MAR finding number 1.1.

## Recommendations

The Board of Aldermen:

- 3.1 Ensure prenumbered receipt slips are issued for all payments received; the method of payment is indicated on all receipt slips; the transmittal of receipts is documented and reviewed; the composition of receipts is reconciled to the composition of deposits; all payments received are deposited intact and timely; and the change fund is maintained at a constant amount. The Board should also discontinue paying city expenses from city cash receipts.
- 3.2 Ensure monthly bank reconciliations are prepared for all bank accounts; checkbook registers, book balances, and lists of disbursements are maintained; and checks are issued in numerical sequence with the sequence properly accounted for.
- 3.3 Ensure adequate supporting documentation is maintained for all disbursements, and all records are retained in accordance with state law.

## Auditee's Response

- 3.1 *We will work on ensuring prenumbered receipt slips are issued for all payments received; the method of payment is indicated on all receipt slips; any transmittal of receipts is documented and reviewed; the composition of receipts is reconciled to the composition of deposits; all payments received are deposited intact and timely; and the change fund is maintained at a constant amount. The Board has also discontinued paying city expenses from city cash receipts.*
- 3.2 *We are now preparing monthly bank reconciliations for all accounts; checkbook registers, book balances, and lists of disbursements are maintained; and checks are issued in numerical sequence with the sequence properly accounted for.*

<sup>13</sup> <<https://www.sos.mo.gov/archives/localrecs/schedules>>, accessed October 11, 2022.



City of Holland  
Management Advisory Report - State Auditor's Findings

3.3 *We are now maintaining supporting documentation for all disbursements, and all records are retained in accordance with state law.*

## 4. Utility System Controls and Procedures

Utility system controls and procedures need improvement. The city provided utility services to an average of 115 customers per month during the period January 1, 2020, through April 30, 2021 (the months in which meter readings were retained). According to the city's bank and utility statements, the city received payments for utility services totaling approximately \$178,000 during the period January 1, 2018, through April 30, 2021.

### 4.1 Adjustments

The Acting Mayor and former City Clerks made adjustments to customer utility statements, including writing off charges caused by water leaks or incorrect meter readings, without obtaining independent approval or maintaining adequate documentation to support the reasons for the adjustments. In addition, a list of adjustments was not prepared and approved, so no comparison of adjustments to actual changes could be conducted. As a result, there is an increased risk of theft and misuse occurring without being detected. In a recorded interview, the Acting Mayor indicated she approved adjustments by verbally telling the City Clerk when an adjustment was necessary.

Review and approval of adjustments by an independent person is necessary to ensure adjustments made are valid and proper. The Acting Mayor indicated she was unaware of the importance of an independent review of adjustments made to the utility system.

### 4.2 Utility reconciliations

City personnel did not prepare reconciliations related to utility services.

- The former City Clerks did not perform monthly reconciliations of amounts billed, payments received, and amounts unpaid for utility services. Monthly reconciliations are necessary to ensure accounting records balance, transactions are properly recorded, and errors or discrepancies are detected timely.
- City personnel did not perform monthly reconciliations of total gallons of water billed to gallons of water pumped. Monthly reconciliations of gallons of water billed to gallons of water pumped are necessary to help detect significant water loss or other problems and ensure all water usage is properly billed.

While the information necessary to perform these calculations is available, no one reviewed or reconciled it. Had these reconciliations been performed and reviewed, the utility services not billed to the Acting Mayor may have been detected. In a recorded interview, a former City Clerk indicated the reconciliations were not part of his job description and he was not told he needed to perform these reconciliations.



## City of Holland Management Advisory Report - State Auditor's Findings

**4.3 Customer utility deposits** Neither the Acting Mayor nor the former City Clerks prepared a list of customer utility deposits to periodically reconcile to balances in the city's meter bank account, where utility deposits were typically deposited and disbursed (refunded and applied).

Five utility customers provided affidavits<sup>14</sup> or responded to requests for utility payment information and indicated utility deposits were paid. Three of the 5 utility customers reported an \$80 utility deposit was paid, while the other 2 reported utility deposits of \$60 and \$50 each. One of the 3 utility customers that paid \$80 provided a receipt slip that indicated the \$80 paid represented a \$50 deposit and \$30 connection fee. Based on city meter reading records there were 112 utility customers in April 2021 so the city should have had an estimated \$5,600 (112 at \$50 each) in utility deposits on hand in April 2021. However, as of April 30, 2021, the meter bank account had a balance of only \$1,481, resulting in an estimated shortage of \$4,119.

Refundable utility deposits are restricted funds held for customers. Periodic reconciliation of customer utility deposit balances to city accounting records is necessary to ensure sufficient funds are available for deposit refunds. Such reconciliations would allow for prompt detection of discrepancies. The Acting Mayor indicated she was unaware of the importance of reconciling utility deposit balances to city records.

## 4.4 Sales taxes

The city did not file or remit sales taxes collected related to the utility services for the periods of January to March 2018, July to September 2019, and July 2020 to June 2021, and still owed \$16 for the period of April 2020 to June 2020, as of April 2023.

Section 144.080, RSMo, requires sales tax collections be reported and remitted to the Department of Revenue on a monthly or quarterly basis, depending on the amounts collected. Additionally, penalties may be assessed under Section 144.250, RSMo, because of the city's failure to remit these sales taxes. Pursuant to 12 CSR 10-110.955(3)(B), sales by the state of Missouri and its political subdivisions are subject to tax. The Acting Mayor indicated she was not aware of these requirements.

## Recommendations

The Board of Aldermen:

- 4.1 Prepare a list of adjustments and ensure all adjustments to utility accounts are properly approved and compared to actual changes, and documentation of all adjustments is retained.

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<sup>14</sup> City utility customers signed affidavits and provided them to the City of Holland indicating they made utility deposit payments. Current city officials provided these affidavits to our office.



City of Holland  
Management Advisory Report - State Auditor's Findings

- 4.2 Ensure monthly reconciliations are performed of amounts billed to amounts collected and delinquent accounts, and of gallons of water billed to gallons pumped, and investigate significant differences.
- 4.3 Periodically reconcile a list of customer utility deposits to the meter bank account balance, and promptly investigate any differences.
- 4.4 Ensure sales taxes collected are reported and remitted.

## Auditee's Response

- 4.1 *We will work to prepare a list of adjustments and ensure all adjustments to utility accounts are properly approved and compared to actual changes, and documentation of all adjustments is retained.*
- 4.2 *Procedures have been put in place to perform monthly reconciliations of amounts billed to amounts collected and delinquent accounts, and of gallons of water billed to gallons pumped. We will continue to investigate significant differences.*
- 4.3 *We will work on reconciling a list of customer utility deposits to the meter bank account balance, and promptly investigate any differences.*
- 4.4 *We are working to ensure sales taxes collected are reported and remitted.*

## 5. Contracted Workers

City controls and procedures related to contract workers need significant improvement.

The city classified former City Clerks, maintenance workers, and the water/sewer operator as independent contractors. Payments to former City Clerks totaled \$8,850 in 2018, \$9,660 in 2019, \$10,205 in 2020, and \$2,190 from January 1 to April 30, 2021. Payments to former maintenance workers totaled \$3,120 in 2018, \$3,100 in 2019, and \$1,600 in 2020. Payments to the former water/sewer operator totaled \$750 in 2018 and \$600 in 2019.

### 5.1 Employment classifications

The Acting Mayor did not document the basis for classifying former City Clerks, maintenance workers, and the water/sewer operator as independent contractors rather than employees, and these employees were misclassified as independent contractors. The current City Clerk is also classified as an independent contractor, and the city does not have documentation to support this decision.

Proper classification of employees is necessary to ensure compliance with various state and federal laws and regulations. Internal Revenue Service (IRS) Publication 15-A provides guidance on what to examine when determining whether an individual is an employee or independent contractor including, but not limited to, whether individual sets his or her own schedule, provides





## City of Holland Management Advisory Report - State Auditor's Findings

his or her own tools, and receives employee benefits; and whether the work is in the normal course of business for the city. Section 105.300, RSMo, defines an elected or appointed officer or employee of a political subdivision as an employee for Social Security and Medicare tax purposes. The failure to withhold and properly report payroll and income taxes for city employees makes the city potentially subject to tax liabilities along with penalties and interest. For employees, the IRS requires employers to report compensation on W-2 forms and withhold and remit income and payroll taxes. Similarly, Chapter 143, RSMo, includes requirements for reporting wages and withholding state income taxes. The Acting Mayor and current Board indicated they were not aware of these requirements.

### 5.2 Timesheets

Former City Clerks did not prepare timesheets, and text messages documenting hours worked by a former City Clerk were not retained (see MAR finding number 7). In addition, the former maintenance workers and water/sewer operator did not prepare timesheets or other documentation of work performed to support payments made.

In a recorded interview, a former City Clerk indicated he texted the Acting Mayor his time each week to support his payments, but these text messages were not retained. In addition, a former maintenance worker indicated in a recorded interview, he verbally communicated how many hours he worked to a City Clerk to support his payments.

Without adequate timesheets or other documentation of work performed, the city cannot ensure hours worked are accurate and properly documented. In addition, Fair Labor Standards Act (FLSA) regulation 29 CFR Section 516.2(a) requires employers to maintain accurate records of actual time worked by employees. The Acting Mayor indicated she was unaware of the importance of requiring documentation of work performed.

### 5.3 Independent contractors

As previously noted, the city misclassified former City Clerks, maintenance workers, and the water/sewer operator as independent contractors rather than employees from January 2018 to April 30, 2021. However, even if this classification been appropriate, the Acting Mayor did not enter into a written contract with the former City Clerks, maintenance workers, and the water/sewer operator and did not prepare and file 1099 forms for payments made during 2020, 2019, and 2018.

Section 432.070, RSMo, requires contracts of political subdivisions be in writing. Written contracts are necessary to ensure all parties are aware of their duties and responsibilities and to provide protection to both parties. Sections 6041 through 6050W of the Internal Revenue Code require non-wage payments of at least \$600 in one year for professional services or for services performed as a trade or business by non-employees (other than corporations, except for medical and legal services), be reported to the federal government



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City of Holland  
Management Advisory Report - State Auditor's Findings

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on 1099 forms. The Acting Mayor indicated she was not aware of these requirements.

## Recommendations

The Board of Aldermen:

- 5.1 Determine the proper classification for the City Clerk, maintenance workers, and water/sewer operator to ensure compliance with state and federal laws and regulations.
- 5.2 Ensure timesheets or other records of work performed are prepared, retained, signed, and approved.
- 5.3 Execute and retain written contracts for services that specify the services to be rendered and the manner and amount of payments to be paid. The Board and the current City Clerk should prepare the applicable tax forms for the former City Clerks, maintenance workers, and water/sewer operator for compensation provided as appropriate.

## Auditee's Response

- 5.1 *We will work with our Certified Public Accountant (CPA) to determine the proper classification for the City Clerk, maintenance workers, and water/sewer operator to ensure compliance with state and federal laws and regulations.*
- 5.2 *We now ensure timesheets or other records of work performed are prepared, retained, signed, and approved.*
- 5.3 *We will work with our CPA and attorney to execute and retain written contracts for services that specify the services to be rendered and the manner and amount of payments to be paid as applicable. We will also work with our CPA to prepare the applicable tax forms for the former City Clerks, maintenance workers, and water/sewer operator for compensation provided as appropriate.*

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## 6. Budgets and Financial Reporting

Budgeting and financial reporting procedures need improvement.

### 6.1 Budgets

City officials did not prepare a budget for the years ended December 31, 2021, 2020, 2019, and 2018.

A complete and well-planned budget, in addition to meeting statutory requirements, can serve as a useful management tool by establishing specific financial expectations for each area of city operations. It also assists in setting utility rates and tax levies and informing the public about city operations and current finances. Section 67.010, RSMo, requires the budget to present a





## City of Holland Management Advisory Report - State Auditor's Findings

complete financial plan for the ensuing budget year and sets specific guidelines for the information to be included in the budget. In addition, Section 67.080, RSMo, provides that no expenditures of public money should be made unless it is authorized in the budget. The Acting Mayor indicated she did not have time to prepare budgets.

### 6.2 Financial reporting

City officials did not file timely annual financial reports with the State Auditor's Office (SAO) as required by state law. The city did not file an annual financial report for the 3 years ended December 31, 2019, until April 2021. In addition, the city filed the 2020 report on August 2, 2021, 4 weeks after the deadline and the 2021 report on July 18, 2022, 2 weeks after the deadline.

Section 105.145, RSMo, requires each political subdivision to file annual reports of its financial transactions with the SAO. Section 105.145.5, RSMo, prohibits elected officials from continuing to receive compensation or processing disbursements after the deadline to submit the financial statement and until the financial statement is submitted to the SAO. Section 105.145.9, RSMo, allows political subdivisions to be fined \$500 per day for missing filing deadlines. In addition, 15 CSR 40-3.030, requires each political subdivision to file annual financial reports within 6 months of the end of the subdivision's fiscal year. The Acting Mayor indicated she did not have time to prepare financial reports.

### 6.3 Published financial statements

The city did not publish financial statements for the years ended December 31, 2020, 2019, and 2018. As a result, information regarding the city's financial activity and condition was not available to citizens.

Section 79.160, RSMo, requires the Board to prepare and publish semiannual financial statements that include a full and detailed account of the receipts, disbursements, and indebtedness of the city. The Acting Mayor indicated she did not have time to publish financial reports.

## Recommendations

The Board of Aldermen:

- 6.1 Prepare annual budgets that contain all information required by state law and ensure the budgets are adequately monitored.
- 6.2 Submit annual financial reports timely to the State Auditor's Office as required by state law.
- 6.3 Ensure publication of the city's semiannual financial statements as required by state law.

## Auditee's Response

- 6.1 *We now prepare annual budgets that contain all information required by state law and ensure the budgets are adequately monitored.*



City of Holland  
Management Advisory Report - State Auditor's Findings

6.2 *We will ensure annual financial reports are timely submitted to the State Auditor's Office as required by state law.*

6.3 *We now post the city's semiannual financial statements.*

## 7. Electronic Communication Policy

The city has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms.

In recorded interviews both the Acting Mayor and former City Clerk indicated text messages were sent by the former City Clerk to the Acting Mayor to support his hours worked and the amount he was paid, but these text messages were not retained.

Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of records. The guidelines for managing electronic communications records can be found on the Secretary of State's website.<sup>15</sup>

Development of a written policy to address the use of electronic communications is necessary to ensure all documentation of official business of the city is retained as required by state law. The Acting Mayor indicated she was unaware of the record retention requirements and the electronic communications guidelines.

## Recommendation

The Board of Aldermen develop a written records management and retention policy to address electronic communications management and retention to comply with Missouri Secretary of State Records Services Division electronic communications guidelines.

## Auditee's Response

*We have had preliminary discussions and will continue to work to develop a written records management and retention policy to address electronic communications management and retention to comply with Missouri Secretary of State Records Services Division electronic communications guidelines.*

<sup>15</sup> Missouri Secretary of State Records Services Division, *Electronic Communications Records Guidelines for Missouri Government*, May 14, 2019, is available at <<https://www.sos.mo.gov/CMSImages/LocalRecords/CommunicationsGuidelines.pdf>>, accessed September 30, 2022.

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# City of Holland

## Organization and Statistical Information

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The City of Holland is located in Pemiscot County. The city was incorporated in 1903 and is currently a fourth-class city. The city had 3 contracted workers on December 31, 2020. The city's population was 194 in 2020, according to the U.S. Census Bureau.

City operations include utility services (water and sewer) and street maintenance.

### Mayor and Board of Aldermen

From January 1, 2018, through April 20, 2021, the city was governed solely by Jessica Roach, Acting Mayor. There was no Board of Aldermen nor were any Board meetings held during this time period.

In April 2021, Leslie Myrick was elected as the city's Mayor and began his duties on April 20, 2021. He subsequently appointed Francis Hicks and Jessica Hosey as Aldermen. City code provides for 2 Aldermen from each of its two wards, so 2 vacancies on the Board remain as of April 2023.

### Financial Activity

A summary of the city's financial activity obtained from bank statements for the years ended December 31, 2018, 2019, and 2020, follows.



## City of Holland Organization and Statistical Information

City of Holland  
Schedule of Receipts, Disbursements, and Changes in Cash  
3 Years Ended December 31, 2020

Year Ended December 31, 2018									
	General Account	Water Operating Account	Water & Sewer Replacement Account	Water & Sewer Bond Reserve Account	Meter Account	Meter Savings Account	DED CDBG Account	Criminal Investigation Account	Total (all funds)
RECEIPTS	\$								
Receipts	32,347	48,216	12	19	2	3	-	-	80,599
Transfers In	1,000	-	-	-	-	-	-	-	1,000
Total Receipts	33,347	48,216	12	19	2	3	-	-	81,599
DISBURSEMENTS									
Disbursements	32,262	49,825	-	-	199	-	-	-	82,286
Transfers Out	-	-	-	-	1,000	-	-	-	1,000
Total Disbursements	32,262	49,825	-	-	1,199	-	-	-	83,286
RECEIPTS OVER(UNDER) DISBURSEMENTS	1,085	(1,609)	12	19	(1,197)	3	-	-	(1,687)
CASH BALANCE, JANUARY 1, 2018	4,520	4,403	14,546	20,210	2,688	2,631	83	65	49,146
CASH BALANCE, DECEMBER 31, 2018	\$ 5,605	2,794	14,558	20,229	1,491	2,634	83	65	47,459
Year Ended December 31, 2019									
	General Account	Water Operating Account	Water & Sewer Replacement Account	Water & Sewer Bond Reserve Account	Meter Account	Meter Savings Account	DED CDBG Account	Criminal Investigation Account	Total (all funds)
RECEIPTS	\$								
Receipts	26,035	51,650	13	18	1	3	-	-	77,720
Transfers In	500	-	-	-	-	-	-	-	500
Total Receipts	26,535	51,650	13	18	1	3	-	-	78,220
DISBURSEMENTS									
Disbursements	26,509	52,761	-	-	14	-	-	-	79,284
Transfers Out	-	500	-	-	-	-	-	-	500
Total Disbursements	26,509	53,261	-	-	14	-	-	-	79,784
RECEIPTS OVER(UNDER) DISBURSEMENTS	26	(1,611)	13	18	(13)	3	-	-	(1,564)
CASH BALANCE, JANUARY 1, 2019	5,605	2,794	14,558	20,229	1,491	2,634	83	65	47,459
CASH BALANCE, DECEMBER 31, 2019	\$ 5,631	1,183	14,571	20,247	1,478	2,637	83	65	45,895
Year Ended December 31, 2020									
	General Account	Water Operating Account	Water & Sewer Replacement Account	Water & Sewer Bond Reserve Account	Meter Account	Meter Savings Account	DED CDBG Account	Criminal Investigation Account	Total (all funds)
RECEIPTS	\$								
Receipts	27,227	56,384	13	18	1	2	-	-	83,645
Transfers In	2,500	2,350	-	-	-	-	-	-	4,850
Total Receipts	29,727	58,734	13	18	1	2	-	-	88,495
DISBURSEMENTS									
Disbursements	25,826	53,389	-	-	-	-	-	-	79,215
Transfers Out	2,350	2,500	-	-	-	-	-	-	4,850
Total Disbursements	28,176	55,889	-	-	-	-	-	-	84,065
RECEIPTS OVER(UNDER) DISBURSEMENTS	1,551	2,845	13	18	1	2	-	-	4,430
CASH BALANCE, JANUARY 1, 2020	5,631	1,183	14,571	20,247	1,478	2,637	83	65	45,895
CASH BALANCE, DECEMBER 31, 2020	\$ 7,182	4,028	14,584	20,265	1,479	2,639	83	65	50,325

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## City of Holland

# Supporting Documentation of Missing and Misappropriated Money and Unpaid Utility Services

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The following appendixes provide supporting documentation for the missing and misappropriated money and unpaid utility services discussed in MAR finding number 1.1 and are summarized in the following table.

Appendix	Type of Supporting Documentation
A	State Auditor Subpoena - Jessica Roach
B	Undeposited Utility Receipts
C	Estimated Undeposited Utility Receipts
D	Undeposited 2020 Property Tax Receipts
E	Acting Mayor's Utility Services Not Paid



Appendix A  
City of Holland  
State Auditor Subpoena - Jessica Roach



Information of a personal, privileged, or sensitive nature, and/or information that is not directly related to the information requested in the subpoena has been redacted.

OFFICE OF MISSOURI STATE AUDITOR

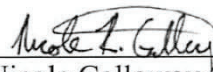
SUBPOENA

To: Jessica Roach

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representatives, Mary Johnson, Chief of Investigations, and Meghan Luecke, Deputy General Counsel, at the Truman State Office Building, 301 West High Street, Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on August 18, 2022 for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Mary Johnson or Meghan Luecke at 301 W. High St., Room 880, Jefferson City, MO 65101.

ISSUED this 29th day of July, 2022, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by HANNA DELGADO on this 15<sup>th</sup> day of AUGUST, 2022.







## OFFICE OF MISSOURI STATE AUDITOR

### EXHIBIT A

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the City of Holland for the time period of January, 2018 to April, 2021.

This request includes, but is not limited to, the following:

1. All invoices or receipts for purchases at Woods, Buchanan, Car Mac, United States Post Office, Ron's Small Engine, RTB Disposal and Midwest Meters for the City of Holland from January 2018 through April 2021.
2. All text messages or documents sent to you as evidence of time worked from Johnathan Williams and Ashley Roach for payment for time rendered.
3. Invoices or requests of payment from Brian and Eddie Poplin, Danny and Martha Wesson, and Robert Drumright for services rendered.
4. Documentation of invoices or receipts for all cash payments made for items purchased for the City of Holland.
5. Documentation for the purchase of vapes which are sold at Bruce McCaig's convenience/liquor store.
6. Documentation to support cash payments received from the selling of vapes purchased and sold at Bruce McCaig's convenience/liquor store.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.

Appendix B  
City of Holland  
Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

Deposit Date	(1)		(1)		(2)		Checks and Money			Total		Adjustment for City Invoices	
	Recorded Cash Receipts	Recorded Check and Money Order Receipts	Recorded Receipts with no Method of Payment Indicated	Unrecorded Checks and Money Orders	Total Receipts	Cash Deposited	Money Orders Deposited	Total Deposited	Undeposited Over(Under)	Likely Paid with City Receipts	Net Total Undeposited Over/(Under)		
01/04/18	\$ 0.00	0.00	0.00	442.47	442.47	0.00	442.47	442.47	(3)	0.00	0.00		
01/16/18	0.00	0.00	0.00	1,229.65	1,229.65	0.00	1,229.65	1,229.65		0.00	0.00		
01/23/18	0.00	0.00	0.00	1,509.64	1,509.64	0.00	1,509.64	1,509.64	(3)	0.00	0.00		
January 2018	0.00	0.00	0.00	3,181.76	3,181.76	0.00	3,181.76	3,181.76		0.00	0.00		
02/14/18	0.00	0.00	0.00	1,372.38	1,372.38	0.00	1,372.38	1,372.38		0.00	17.57		
02/21/18	0.00	0.00	0.00	1,894.58	1,894.58	0.00	1,894.58	1,894.58		0.00	0.00		
02/27/18	0.00	0.00	81.53	765.55	847.08	0.00	765.55	765.55	(81.53)	48.88	(32.65)		
February 2018	0.00	0.00	81.53	4,032.51	4,114.04	0.00	4,032.51	4,032.51	(81.53)	66.45	(15.08)		
03/13/18	0.00	0.00	0.00	1,627.92	1,627.92	0.00	1,627.92	1,627.92		0.00	0.00		
03/19/18	0.00	0.00	0.00	1,000.11	1,000.11	(3)	0.00	1,000.11	(3)	0.00	0.00		
03/22/18	0.00	0.00	0.00	357.38	357.38	(3)	0.00	357.38	(3)	0.00	0.00		
03/26/18	0.00	0.00	61.89	980.11	1,042.00	(3)	0.00	980.11	(3)	0.00	(61.89)		
March 2018	0.00	0.00	61.89	3,965.52	4,027.41	0.00	3,965.52	3,965.52	(61.89)	0.00	(61.89)		
04/06/18	0.00	0.00	0.00	1,104.87	1,104.87	0.00	1,104.87	1,104.87		0.00	0.00		
04/19/18	0.00	0.00	58.55	1,732.54	1,791.09	0.00	1,732.54	1,732.54	(58.55)	0.00	(58.55)		
April 2018	0.00	0.00	58.55	2,837.41	2,895.96	0.00	2,837.41	2,837.41	(58.55)	0.00	(58.55)		
05/02/18	0.00	0.00	0.00	1,158.76	1,158.76	0.00	1,158.76	1,158.76		14.49	14.49		
05/09/18	0.00	0.00	0.00	1,827.57	1,827.57	0.00	1,827.57	1,827.57		0.00	0.00		
05/17/18	0.00	0.00	0.00	805.35	805.35	0.00	805.35	805.35		0.00	0.00		
05/18/18	0.00	0.00	60.22	462.35	522.57	0.00	462.35	462.35	(60.22)	0.00	(60.22)		
05/24/18	0.00	0.00	0.00	364.48	364.48	0.00	364.48	364.48		0.00	0.00		
May 2018	0.00	0.00	60.22	4,618.51	4,678.73	0.00	4,618.51	4,618.51	(60.22)	14.49	(45.73)		
06/07/18	0.00	0.00	0.00	1,423.47	1,423.47	0.00	1,423.47	1,423.47		0.00	0.00		
06/19/18	0.00	0.00	0.00	988.48	988.48	0.00	988.48	988.48		0.00	0.00		
06/19/18	0.00	0.00	0.00	820.26	820.26	0.00	820.26	820.26		0.00	0.00		
June 2018	0.00	0.00	0.00	3,232.21	3,232.21	0.00	3,232.21	3,232.21		0.00	0.00		
07/06/18	0.00	0.00	0.00	569.71	569.71	0.00	569.71	569.71		0.00	0.00		
07/10/18	0.00	0.00	0.00	1,149.61	1,149.61	0.00	1,149.61	1,149.61		0.00	0.00		



Appendix B  
City of Holland  
Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

Deposit Date	(1)		(1)		(2)		Checks and Money			Total		Adjustment for City Invoices	
	Recorded Cash Receipts	Recorded Check and Money Order Receipts	Recorded Receipts with no Method of Payment Indicated	Unrecorded Checks and Money Orders	Total Receipts	Cash Deposited	Money Orders Deposited	Total Deposited	Undeposited Over/(Under)	Likely Paid with City Receipts	Net Total Undeposited Over/(Under)		
07/18/18	0.00	0.00	0.00	1,923.60	1,923.60	0.00	1,923.60	1,923.60	0.00	0.00	0.00		
07/24/18	0.00	0.00	169.40	1,220.97	1,390.37	0.00	1,220.97	1,220.97	(169.40)	25.49	(143.91)		
July 2018	0.00	0.00	169.40	4,863.89	5,033.29	0.00	4,863.89	4,863.89	(169.40)	25.49	(143.91)		
08/06/18	0.00	0.00	0.00	1,239.83	1,239.83	0.00	1,239.83	1,239.83	0.00	0.00	0.00		
08/10/18	0.00	0.00	0.00	1,189.94	1,189.94	0.00	1,189.94	1,189.94	0.00	0.00	0.00		
08/20/18	0.00	0.00	63.01	1,499.32	1,562.33	0.00	1,499.32	1,499.32	(63.01)	0.00	(63.01)		
08/31/18	0.00	0.00	0.00	658.03	658.03	0.00	658.03	658.03	0.00	0.00	0.00		
August 2018	0.00	0.00	63.01	4,587.12	4,650.13	0.00	4,587.12	4,587.12	(63.01)	0.00	(63.01)		
09/05/18	0.00	0.00	0.00	644.61	644.61	0.00	644.61	644.61	0.00	0.00	0.00		
09/11/18	0.00	0.00	62.45	391.50	453.95	0.00	391.50	391.50	(62.45)	0.00	(62.45)		
09/14/18	0.00	0.00	0.00	1,283.76	1,283.76	0.00	1,283.76	1,283.76	0.00	0.00	0.00		
09/19/18	0.00	0.00	0.00	827.05	827.05	0.00	827.05	827.05	0.00	0.00	0.00		
09/26/18	0.00	0.00	0.00	669.58	669.58	0.00	669.58	669.58	0.00	0.00	0.00		
09/28/18	0.00	0.00	0.00	529.78	529.78	0.00	529.78	529.78	0.00	0.00	0.00		
September 2018	0.00	0.00	62.45	4,346.28	4,408.73	0.00	4,346.28	4,346.28	(62.45)	0.00	(62.45)		
10/10/18	0.00	0.00	0.00	1,058.47	1,058.47	0.00	1,058.47	1,058.47	0.00	0.00	0.00		
10/11/18	0.00	0.00	0.00	856.43	856.43	0.00	856.43	856.43	0.00	0.00	0.00		
10/16/18	0.00	0.00	0.00	471.55	471.55	0.00	471.55	471.55	0.00	0.00	0.00		
10/23/18	0.00	0.00	58.55	1,011.84	1,070.39	0.00	1,011.84	1,011.84	(58.55)	0.00	(58.55)		
October 2018	0.00	0.00	58.55	3,398.29	3,456.84	0.00	3,398.29	3,398.29	(58.55)	0.00	(58.55)		
11/08/18	0.00	0.00	0.00	447.27	447.27	0.00	447.27	447.27	0.00	0.00	0.00		
11/19/18	61.35	0.00	0.00	1,131.69	1,193.04	0.00	1,131.69	1,131.69	(61.35)	0.00	(61.35)		
11/20/18	0.00	0.00	0.00	1,915.56	1,915.56	0.00	1,915.56	1,915.56	0.00	0.00	0.00		
November 2018	61.35	0.00	0.00	3,494.52	3,555.87	0.00	3,494.52	3,494.52	(61.35)	0.00	(61.35)		
12/03/18	0.00	0.00	0.00	390.81	390.81	0.00	390.81	390.81	0.00	0.00	0.00		
12/05/18	0.00	0.00	0.00	804.35	804.35	0.00	804.35	804.35	0.00	0.00	0.00		
12/24/18	0.00	0.00	0.00	2,331.10	2,331.10	0.00	2,331.10	2,331.10	0.00	0.00	0.00		

Appendix B  
City of Holland  
Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

Deposit Date	(1)			(2)			Checks and Money			Adjustment for City Invoices	
	(1) Recorded Cash Receipts	(1) Recorded Check and Money Order Receipts	Recorded Receipts with no Method of Payment Indicated	Unrecorded Checks and Money Orders	Total Receipts	Cash Deposited	Money Orders Deposited	Total Deposited	Total Undeposited Over/(Under)	Likely Paid with City Receipts	Net Total Undeposited Over/(Under)
12/31/18	0.00	0.00	0.00	736.81	736.81	0.00	736.81	736.81	0.00	0.00	0.00
December 2018	0.00	0.00	0.00	4,263.07	4,263.07	0.00	4,263.07	4,263.07	0.00	0.00	0.00
Total 2018	61.35	0.00	615.60	46,821.09	47,498.04	0.00	46,821.09	46,821.09	(676.95)	106.43	(570.52)
01/09/19	0.00	0.00	0.00	1,660.40	1,660.40	0.00	1,660.40	1,660.40	0.00	0.00	0.00
01/18/19	0.00	0.00	120.89	1,612.15	1,733.04	0.00	1,612.15	1,612.15	(120.89)	0.00	(120.89)
01/29/19	0.00	0.00	0.00	765.27	765.27	0.00	765.27	765.27	0.00	0.00	0.00
January 2019	0.00	0.00	120.89	4,037.82	4,158.71	0.00	4,037.82	4,037.82	(120.89)	0.00	(120.89)
02/11/19	0.00	0.00	0.00	819.62	819.62	0.00	819.62	819.62	0.00	0.00	0.00
02/11/19	0.00	0.00	0.00	602.75	602.75	0.00	602.75	602.75	0.00	0.00	0.00
02/14/19	0.00	0.00	61.90	1,184.43	1,246.33	0.00	1,184.43	1,184.43	(61.90)	0.00	(61.90)
02/22/19	0.00	0.00	0.00	1,131.05	1,131.05	0.00	1,131.05	1,131.05	0.00	0.00	0.00
February 2019	0.00	0.00	61.90	3,737.85	3,799.75	0.00	3,737.85	3,737.85	(61.90)	0.00	(61.90)
03/13/19	0.00	0.00	0.00	1,493.62	1,493.62	0.00	1,493.62	1,493.62	0.00	0.00	0.00
03/20/19	0.00	0.00	57.99	1,406.81	1,464.80	0.00	1,406.81	1,406.81	(57.99)	0.00	(57.99)
03/22/19	0.00	0.00	0.00	1,084.90	1,084.90	0.00	1,084.90	1,084.90	0.00	0.00	0.00
March 2019	0.00	0.00	57.99	3,985.33	4,043.32	0.00	3,985.33	3,985.33	(57.99)	0.00	(57.99)
04/03/19	0.00	0.00	0.00	708.85	708.85	0.00	708.85	708.85	0.00	12.00	12.00
04/09/19	0.00	0.00	59.66	1,293.78	1,353.44	0.00	1,293.78	1,293.78	(59.66)	0.00	(59.66)
04/15/19	0.00	0.00	0.00	712.37	712.37	0.00	712.37	712.37	0.00	0.00	0.00
April 2019	0.00	0.00	59.66	2,715.00	2,774.66	0.00	2,715.00	2,715.00	(59.66)	12.00	(47.66)
05/01/19	0.00	0.00	0.00	1,363.28	1,363.28	0.00	1,363.28	1,363.28	0.00	0.00	0.00
05/03/19	0.00	0.00	60.78	203.49	264.27	0.00	203.49	203.49	(60.78)	0.00	(60.78)
05/08/19	0.00	0.00	0.00	1,086.09	1,086.09	0.00	1,086.09	1,086.09	0.00	0.00	0.00
05/10/19	0.00	0.00	0.00	135.17	135.17	0.00	135.17	135.17	0.00	0.00	0.00
05/21/19	0.00	0.00	0.00	1,404.22	1,404.22	0.00	1,404.22	1,404.22	0.00	0.00	0.00
May 2019	0.00	0.00	60.78	4,192.25	4,253.03	0.00	4,192.25	4,192.25	(60.78)	0.00	(60.78)
06/04/19	0.00	0.00	108.21	1,393.80	1,502.01	0.00	1,393.80	1,393.80	(108.21)	0.00	(108.21)
06/11/19	0.00	0.00	0.00	1,226.37	1,226.37	0.00	1,226.37	1,226.37	0.00	0.00	0.00

Appendix B  
City of Holland  
Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

Deposit Date	(1)			(2)			Checks and Money				Adjustment for City Invoices	
	(1) Recorded Cash Receipts	(1) Recorded Check and Money Order Receipts	(1) Recorded Receipts with no Method of Payment Indicated	Unrecorded Checks and Money Orders	Total Receipts	Cash Deposited	Money Orders Deposited	Total Deposited	Total Undeposited Over/(Under)	Likely Paid with City Receipts	Net Total Undeposited Over/(Under)	
06/18/19	0.00	0.00	0.00	811.48	811.48	0.00	811.48	811.48	0.00	0.00	0.00	
06/25/19	0.00	0.00	0.00	969.06	969.06	0.00	969.06	969.06	0.00	0.00	0.00	
June 2019	0.00	0.00	108.21	4,400.71	4,508.92	0.00	4,400.71	4,400.71	(108.21)	0.00	(108.21)	
07/10/19	0.00	0.00	76.96	1,901.91	1,978.87	0.00	1,901.91	1,901.91	(4)	0.00	(76.96)	
07/16/19	0.00	0.00	0.00	1,170.17	1,170.17	0.00	1,170.17	1,170.17	0.00	0.00	0.00	
07/22/19	0.00	0.00	125.46	1,471.60	1,597.06	0.00	1,471.60	1,471.60	(125.46)	0.00	(125.46)	
July 2019	0.00	0.00	202.42	4,543.68	4,746.10	0.00	4,543.68	4,543.68	(202.42)	0.00	(202.42)	
08/07/19	0.00	0.00	0.00	1,316.22	1,316.22	(3)	0.00	1,316.22	(3)	0.00	0.00	
08/15/19	0.00	0.00	64.68	916.46	981.14	(3)	0.00	916.46	(3)	0.00	(64.68)	
08/19/19	0.00	0.00	0.00	1,090.67	1,090.67	0.00	1,090.67	1,090.67	0.00	0.00	0.00	
08/20/19	0.00	0.00	0.00	187.58	187.58	0.00	187.58	187.58	0.00	0.00	0.00	
08/22/19	0.00	0.00	0.00	524.05	524.05	0.00	524.05	524.05	0.00	0.00	0.00	
08/27/19	0.00	0.00	0.00	740.62	740.62	0.00	740.62	740.62	0.00	0.00	0.00	
08/30/19	0.00	0.00	0.00	369.91	369.91	0.00	369.91	369.91	0.00	0.00	0.00	
August 2019	0.00	0.00	64.68	5,145.51	5,210.19	0.00	5,145.51	5,145.51	(64.68)	0.00	(64.68)	
09/11/19	0.00	0.00	100.84	620.87	721.71	0.00	620.87	620.87	(100.84)	0.00	(100.84)	
09/13/19	0.00	0.00	65.13	1,708.61	1,773.74	0.00	1,708.61	1,708.61	(65.13)	0.00	(65.13)	
09/20/19	0.00	0.00	66.00	926.83	992.83	0.00	992.83	992.83	0.00	0.00	0.00	
09/25/19	0.00	0.00	0.00	223.11	223.11	0.00	223.11	223.11	0.00	0.00	0.00	
September 2019	0.00	0.00	231.97	3,479.42	3,711.39	0.00	3,545.42	3,545.42	(165.97)	0.00	(165.97)	
10/01/19	0.00	0.00	0.00	176.88	176.88	0.00	176.88	176.88	0.00	0.00	0.00	
10/08/19	316.40	395.95	0.00	892.94	1,605.29	(3)	0.00	1,288.88	(3)	0.00	(316.41)	
10/17/19	199.17	1,477.40	(5)	1,432.76	3,166.76	(3)	0.00	2,909.48	(3)	0.00	(257.28)	
10/23/19	199.72	182.33	0.00	420.26	802.31	0.00	539.59	539.59	(262.72)	0.00	(262.72)	
Unknown	0.00	0.00	25.04	0.00	25.04	0.00	0.00	0.00	(25.04)	0.00	(25.04)	
(6)	715.29	2,055.68	82.47	2,922.84	5,776.28	0.00	4,914.83	4,914.83	(861.45)	0.00	(861.45)	
October 2019	222.29	78.77	0.00	998.69	1,299.75	0.00	1,077.46	1,077.46	(222.29)	0.00	(222.29)	
11/06/19	0.00	0.00	59.10	2,153.07	2,212.17	0.00	2,153.07	2,153.07	(59.10)	0.00	(59.10)	
11/18/19												

Appendix B  
City of Holland  
Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

Deposit Date	(1) Recorded Cash Receipts	(1) Recorded Check and Money Order Receipts	(1) Recorded Receipts with no Method of Payment Indicated	(2) Unrecorded Checks and Money Orders	Checks and Money			Total Undeposited Over/(Under)	Adjustment for City Invoices		Net Total Undeposited Over/(Under)
					Cash Deposited	Money Orders Deposited	Total Deposited		Likely Paid with City Receipts	Undeposited Over/(Under)	
11/21/19	0.00	0.00	0.00	384.09	0.00	384.09	384.09	0.00	0.00	0.00	0.00
11/29/19	0.00	0.00	0.00	529.11	(3)	379.11	529.11	(3)	0.00	0.00	0.00
November 2019	222.29	78.77	59.10	4,064.96	150.00	3,993.73	4,143.73	(281.39)	0.00	0.00	(281.39)
12/09/19	0.00	0.00	56.87	1,585.01	0.00	1,585.01	1,585.01	(56.87)	0.00	0.00	(56.87)
12/16/19	0.00	0.00	0.00	775.48	0.00	775.48	775.48	0.00	0.00	0.00	0.00
12/20/19	0.00	0.00	0.00	1,515.06	0.00	1,515.06	1,515.06	0.00	0.00	0.00	0.00
Unknown	0.00	0.00	100.00	0.00	0.00	0.00	0.00	(100.00)	0.00	0.00	(100.00)
December 2019	0.00	0.00	156.87	3,875.55	0.00	3,875.55	3,875.55	(156.87)	0.00	0.00	(156.87)
Total 2019	937.58	2,134.45	1,266.94	47,100.92	150.00	49,087.68	49,237.68	(2,202.21)	12.00	0.00	(2,190.21)
1/15/2020	0.00	0.00	84.21	2,619.71	0.00	2,648.21	2,648.21	(55.71)	0.00	0.00	(55.71)
1/24/2020	0.00	0.00	0.00	365.22	0.00	365.22	365.22	0.00	0.00	0.00	0.00
1/31/2020	0.00	0.00	0.00	826.52	(3)	826.52	826.52	(3)	0.00	0.00	0.00
Unknown	0.00	0.00	62.00	0.00	0.00	0.00	0.00	(62.00)	0.00	0.00	(62.00)
January 2020	0.00	0.00	146.21	3,811.45	0.00	3,839.95	3,839.95	(117.71)	0.00	0.00	(117.71)
02/10/20	440.98	1,398.97	(5)	748.09	0.00	2,188.58	2,188.58	(3)	0.00	0.00	(511.17)
02/14/20	332.22	318.41	200.00	28.76	0.00	547.17	547.17	(332.22)	0.00	0.00	(332.22)
02/24/20	258.30	1,889.97	60.48	158.82	0.00	2,109.57	2,109.57	(258.00)	0.00	0.00	(258.00)
02/27/20	115.82	152.50	75.00	50.00	0.00	277.50	277.50	(115.82)	0.00	0.00	(115.82)
Unknown	0.00	0.00	160.00	0.00	0.00	0.00	0.00	(160.00)	0.00	0.00	(160.00)
February 2020	1,147.32	3,759.85	607.19	985.67	0.00	5,122.82	5,122.82	(1,377.21)	0.00	0.00	(1,377.21)
03/10/20	509.73	1,251.26	0.00	147.62	0.00	1,398.54	1,398.54	(510.07)	0.00	0.00	(510.07)
03/16/20	518.00	553.03	0.00	314.13	0.00	867.11	867.11	(518.05)	0.00	0.00	(518.05)
03/19/20	82.24	481.33	70.00	1,076.31	0.00	1,643.28	1,643.28	(66.60)	0.00	0.00	(66.60)
03/30/20	205.77	325.56	(5)	0.00	0.00	599.48	599.48	(205.37)	0.00	0.00	(205.37)
March 2020	1,315.74	2,611.18	70.00	1,811.58	0.00	4,508.41	4,508.41	(1,300.09)	0.00	0.00	(1,300.09)
04/13/20	0.00	2,052.24	111.46	0.00	0.00	2,104.84	2,104.84	(4)	0.00	0.00	(58.86)
04/21/20	56.01	1,800.50	(5)	350.00	0.00	2,216.29	2,216.29	(41.23)	0.00	0.00	(41.23)
Unknown	0.00	0.00	150.00	0.00	0.00	0.00	0.00	(150.00)	0.00	0.00	(150.00)
April 2020	56.01	3,852.74	312.47	350.00	0.00	4,321.13	4,321.13	(250.09)	0.00	0.00	(250.09)

Appendix B  
City of Holland  
Undeposited Utility Receipts

Deposit Date	(1)			(2)			Checks and Money			Adjustment for City Invoices	
	(1) Recorded Cash Receipts	(1) Recorded Check and Money Order Receipts	Recorded Receipts with no Payment Indicated	Unrecorded Checks and Money Orders	Total Receipts	Cash Deposited	Money Orders Deposited	Total Deposited	Total Undeposited Over/(Under)	Likely Paid with City Receipts	Net Total Undeposited Over/(Under)
05/11/20	54.34	55.45	129.31	1,564.74	1,803.84	0.00	1,669.50	1,669.50	(134.34)	0.00	(134.34)
05/21/20	307.08	91.47	0.00	1,798.61	2,197.16	0.00	1,890.08	1,890.08	(307.08)	0.00	(307.08)
Unknown	0.00	0.00	100.00	0.00	100.00	0.00	0.00	0.00	(100.00)	0.00	(100.00)
May 2020	361.42	146.92	229.31	3,363.35	4,101.00	0.00	3,559.58	3,559.58	(541.42)	0.00	(541.42)
06/08/20	943.42	109.23	0.00	1,171.86	2,224.51	0.00	1,281.09	1,281.09	(943.42)	0.00	(943.42)
06/12/20	334.73	2,180.45	0.00	110.00	2,625.18	0.00	2,243.69	2,243.69	(381.49)	0.00	(381.49)
06/18/20	370.42	476.96	0.00	0.00	847.38	0.00	476.96	476.96	(370.42)	0.00	(370.42)
Unknown	0.00	0.00	186.05	0.00	186.05	0.00	0.00	0.00	(186.05)	0.00	(186.05)
June 2020	1,648.57	2,766.64	186.05	1,281.86	5,883.12	0.00	4,001.74	4,001.74	(1,881.38)	0.00	(1,881.38)
07/08/20	602.13	1,377.65	332.06	499.93	2,811.77	0.00	2,209.49	2,209.49	(602.28)	0.00	(602.28)
07/16/20	686.08	1,353.99	0.00	247.31	2,287.38	0.00	1,601.30	1,601.30	(686.08)	0.00	(686.08)
07/29/20	550.98	938.01	0.00	100.00	1,588.99	0.00	1,037.17	1,037.17	(551.82)	0.00	(551.82)
Unknown	0.00	0.00	242.71	0.00	242.71	0.00	0.00	0.00	(242.71)	0.00	(242.71)
July 2020	1,839.19	3,669.65	574.77	847.24	6,930.85	0.00	4,847.96	4,847.96	(2,082.89)	0.00	(2,082.89)
08/05/20	0.00	262.31	0.00	1,069.93	1,332.24	0.00	1,332.24	1,332.24	0.00	0.00	0.00
08/20/20	0.00	0.00	326.49	3,553.81	3,880.30	0.00	3,812.57	3,812.57	(67.73)	0.00	(67.73)
Unknown	0.00	0.00	552.84	0.00	552.84	0.00	0.00	0.00	(552.84)	0.00	(552.84)
August 2020	0.00	262.31	879.33	4,623.74	5,765.38	0.00	5,144.81	5,144.81	(620.57)	0.00	(620.57)
09/17/20	1,436.57	3,639.20	225.54	677.25	5,978.56	0.00	4,443.80	4,443.80	(1,534.76)	0.00	(1,534.76)
Unknown	(6.96)	0.00	0.00	0.00	(6.96)	0.00	0.00	0.00	6.96	0.00	6.96
September 2020	1,429.61	3,639.20	225.54	677.25	5,971.60	0.00	4,443.80	4,443.80	(1,527.80)	0.00	(1,527.80)
10/01/20	334.23	797.23	0.00	115.00	1,246.46	(3)	912.23	912.23	(334.23)	0.00	(334.23)
10/05/20	66.61	192.13	84.04	62.71	405.49	0.00	374.84	374.84	(30.65)	0.00	(30.65)
10/15/20	0.00	0.00	0.00	1,661.29	1,661.29	0.00	1,661.29	1,661.29	0.00	0.00	0.00
10/26/20	0.00	0.00	50.00	1,443.65	1,493.65	0.00	1,493.65	1,493.65	0.00	0.00	0.00
Unknown	110.00	0.00	0.00	0.00	110.00	0.00	0.00	0.00	(110.00)	0.00	(110.00)
October 2020	510.84	989.36	134.04	3,282.65	4,916.89	0.00	4,442.01	4,442.01	(474.88)	0.00	(474.88)

Appendix B  
City of Holland  
Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

Deposit Date	(1) Recorded Cash Receipts	(1) Recorded Check and Money Order Receipts	(1) Recorded Receipts with no Method of Payment Indicated	(2) Unrecorded Checks and Money Orders	Checks and Money			Adjustment for City Invoices		
					Cash Deposited	Money Orders Deposited	Total Deposited	Total Undeposited Over/(Under)	Likely Paid with City Receipts	Net Total Undeposited Over/(Under)
11/02/20	0.00	0.00	0.00	1,102.30	0.00	1,102.30	1,102.30	0.00	9.99	9.99
11/06/20	0.00	0.00	64.94	796.81	0.00	796.81	796.81	(64.94)	0.00	(64.94)
11/09/20	0.00	0.00	50.00	363.74	0.00	413.74	413.74	0.00	0.00	0.00
11/16/20	0.00	0.00	201.77	1,537.36	0.00	1,661.36	1,661.36	(77.77)	41.26	(36.51)
11/19/20	0.00	0.00	40.00	557.70	0.00	597.70	597.70	0.00	0.00	0.00
November 2020	0.00	0.00	356.71	4,357.91	0.00	4,571.91	4,571.91	(142.71)	51.25	(91.46)
12/01/20	0.00	0.00	40.00	482.71	0.00	522.71	522.71	0.00	0.00	0.00
12/04/20	0.00	0.00	0.00	117.60	0.00	117.60	117.60	0.00	0.00	0.00
12/18/20	0.00	0.00	125.44	2,675.91	0.00	2,739.76	2,739.76	(3)	0.00	(61.59)
12/30/20	0.00	0.00	25.00	1,232.77	0.00	1,257.77	1,257.77	0.00	0.00	0.00
Unknown	0.00	0.00	100.00	0.00	0.00	0.00	0.00	(100.00)	0.00	(100.00)
December 2020	0.00	0.00	290.44	4,508.99	0.00	4,637.84	4,637.84	(161.59)	0.00	(161.59)
Total 2020	8,308.70	21,697.85	4,012.06	29,901.69	0.00	53,441.96	53,441.96	(10,478.34)	51.25	(10,427.09)
01/19/21	0.00	0.00	67.73	2,708.47	0.00	2,708.47	2,708.47	(3)	0.00	(67.73)
01/25/21	0.00	0.00	0.00	601.50	0.00	601.50	601.50	0.00	0.00	0.00
Unknown	0.00	0.00	160.00	0.00	0.00	0.00	0.00	(160.00)	0.00	(160.00)
January 2021	0.00	0.00	227.73	3,309.97	0.00	3,309.97	3,309.97	(227.73)	0.00	(227.73)
02/04/21	62.71	0.00	125.00	657.17	0.00	782.17	782.17	(62.71)	0.00	(62.71)
02/09/21	0.00	0.00	25.00	1,159.67	0.00	1,184.67	1,184.67	0.00	0.00	0.00
02/19/21	0.00	0.00	73.76	635.37	0.00	709.13	709.13	0.00	0.00	0.00
Unknown	0.00	0.00	143.00	0.00	0.00	0.00	0.00	(143.00)	0.00	(143.00)
February 2021	62.71	0.00	366.76	2,452.21	0.00	2,675.97	2,675.97	(205.71)	0.00	(205.71)
03/05/21	0.00	0.00	25.00	1,423.03	0.00	1,448.03	1,448.03	(3)	0.00	0.00
03/11/21	0.00	0.00	61.11	1,925.73	0.00	1,986.84	1,986.84	(3)	0.00	0.00
03/19/21	0.00	0.00	65.59	824.05	0.00	889.64	889.64	0.00	0.00	0.00
03/25/21	51.61	0.00	65.00	371.52	0.00	436.52	436.52	(51.61)	0.00	(51.61)
03/25/21	0.00	0.00	48.35	190.85	0.00	239.20	239.20	0.00	0.00	0.00
Unknown	0.00	0.00	291.69	0.00	0.00	0.00	0.00	(291.69)	0.00	(291.69)
March 2021	51.61	0.00	556.74	4,735.18	0.00	5,000.23	5,000.23	(343.30)	0.00	(343.30)

Appendix B  
City of Holland  
Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

Deposit Date	(1) Recorded Cash Receipts	(1) Recorded Check and Money Order Receipts	(1) Recorded Receipts with no Method of Payment Indicated	(2) Unrecorded Checks and Money Orders	Checks and Money			Adjustment for City Invoices		
					Cash Deposited	Money Orders Deposited	Total Deposited	Total Undeposited Over/(Under)	Likely Paid with City Receipts	Net Total Undeposited Over/(Under)
04/09/21	0.00	0.00	142.90	1,191.74	0.00	1,584.64	1,584.64 (9)	250.00	0.00	250.00
04/15/21	0.00	0.00	158.81	1,727.02	0.00	1,885.83	1,885.83	0.00	0.00	0.00
04/23/21	(10)	48.81	299.26	757.79	0.00	897.79	897.79	(208.07)	0.00	(208.07)
04/28/21	(10)	0.00	-	100.00	0.00	100.00	100.00	0.00	0.00	0.00
04/30/21	(10)	0.00	50.13	-	0.00	50.13	50.13	0.00	0.00	0.00
Unknown	(6)	0.00	421.80	0.00	0.00	0.00	0.00	(421.80)	0.00	(421.80)
April 2021	48.81	0.00	1,072.90	3,776.55	0.00	4,518.39	4,518.39	(379.87)	0.00	(379.87)
Total 2021	163.13	0.00	2,224.13	14,273.91	0.00	15,504.56	15,504.56	(1,156.61)	0.00	(1,156.61)
Total	\$ 9,470.76	23,832.30	8,118.73	138,097.61	150.00	164,855.29	165,005.29	(14,514.11)	169.68	(14,344.43)

- (1) Represents receipts marked paid on utility statements retained by the city or provided by utility customers.
- (2) Represents deposited checks and money orders for which a paid utility statement or other receipt slip was not maintained by the city.
- (3) We adjusted receipt and deposit amounts for General Fund receipts incorrectly deposited into the Water Operating Fund bank account.
- (4) We adjusted receipt and deposit amounts for Water Operating Fund receipts incorrectly deposited into the General Fund bank account that were later transferred to the Water Operating Fund bank account the same day. Details of the deposit were taken from the General Fund bank account deposit.
- (5) Some payments were inaccurately recorded as cash payments or the payment amounts were inaccurately recorded on the utility statements or receipt records; however, the contents of the deposit showed these receipts were checks or money orders or the amount recorded was slightly different than the actual amount. Therefore, we adjusted the method of payment and amount of these receipts.
- (6) Amounts decreasing the utility balance due were written in the scripted hand writing of the former City Clerk on utility statements indicating a payment had been made. However, these entries did not indicate a payment date, or method of payment (cash, check, or money order). We could not determine the date of the receipt and it is likely these payments were made in cash because we could not locate customer utility payments made by check or money order in the contents of city deposits around the time of the utility statements. The dates of these deposits are shown as unknown during the billing cycle in which the balances decreased. The unknown amount included for April 2021 did not include any amounts received by the City Clerk hired on April 20, 2021.
- (7) The \$262.31 deposited on 08/05/20 consisted of utility payments for June 2020 billings paid in July 2020, but not deposited until August.
- (8) A utility statement indicated it was the customer's last billing and the sewer deposit was refunded, resulting in a negative balance due from the customer. A check was not found for the refund of the sewer deposit, so we recorded the negative amount as a cash refund.
- (9) A \$250 check written to Ashley Roach, former City Clerk, was deposited into the Water Operating Fund bank account on this date. We applied the amount of this check to the amount of undeposited utility receipts.
- (10) The receipt and deposit amounts only include utility statement amounts and checks dated up to and including April 19, 2021, the last day the acting Mayor served the city.



Appendix C  
City of Holland  
Estimated Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

Estimated Undeposited Utility Receipts						
(1) Month and/or Year	Actual or Estimated Utility Amount Billed	(2) Estimated Utility Receipts	Less Utility Receipts Deposited	(3) Less Net Recorded Utility Receipts Not Deposited	Estimated Undeposited Utility Receipts	
January 2018	6,310.00 (4)	5,679.00	(4,032.51) (3)	(15.08)	\$ 1,631.41	
February 2018	6,310.00 (4)	5,679.00	(3,965.52) (3)	(61.89)	1,651.59	
March 2018	6,310.00 (4)	5,679.00	(2,837.41) (3)	(58.55)	2,783.04	
April 2018	6,310.00 (4)	5,679.00	(4,618.51) (3)	(45.73)	1,014.76	
May 2018	6,310.00 (4)	5,679.00	(3,232.21) (3)	0.00	2,446.79	
June 2018	6,310.00 (4)	5,679.00	(4,863.89) (3)	(143.91)	671.20	
July 2018	6,310.00 (4)	5,679.00	(4,587.12) (3)	(63.01)	1,028.87	
August 2018	6,310.00 (4)	5,679.00	(4,346.28) (3)	(62.45)	1,270.27	
September 2018	6,310.00 (4)	5,679.00	(3,398.29) (3)	(58.55)	2,222.16	
October 2018	6,310.00 (4)	5,679.00	(3,494.52) (3)	(61.35)	2,123.13	
November 2018	6,310.00 (4)	5,679.00	(4,263.07) (3)	0.00	1,415.93	
December 2018	6,310.00 (4)	5,679.00	(4,037.82) (3)	(120.89)	1,520.29	
2018 Total					<u>19,779.42</u>	
January 2019	6,310.00 (4)	5,679.00	(3,737.85) (3)	(61.90)	1,879.25	
February 2019	6,310.00 (4)	5,679.00	(3,985.33) (3)	(57.99)	1,635.68	
March 2019	6,310.00 (4)	5,679.00	(2,715.00) (3)	(47.66)	2,916.34	
April 2019	6,310.00 (4)	5,679.00	(4,192.25) (3)	(60.78)	1,425.97	
May 2019	6,310.00 (4)	5,679.00	(4,400.71) (3)	(108.21)	1,170.08	
June 2019	6,310.00 (4)	5,679.00	(4,543.68) (3)	(202.42)	932.90	
July 2019	6,310.00 (4)	5,679.00	(5,145.51) (3)	(64.68)	468.81	
August 2019	6,310.00 (4)	5,679.00	(3,545.42) (3)	(165.97)	1,967.61	
September 2019	6,310.00 (4)	5,679.00	(4,914.83) (3)	(861.45)	(97.28) (6)	
October 2019	6,310.00 (4)	5,679.00	(4,143.73) (3)	(281.39)	1,253.88	
November 2019	6,310.00 (4)	5,679.00	(3,875.55) (3)	(156.87)	1,646.58	
December 2019	6,310.00 (4)	5,679.00	(3,839.95) (3)	(117.71)	1,721.34	
2019 Total					<u>16,921.14</u>	
March 2020	6,253.71 (5)	5,628.34	(4,321.13) (3)	(250.09)	1,057.12	
April 2020	6,952.28 (5)	6,257.05	(3,559.58) (3)	(541.42)	2,156.05	
June 2020	6,535.32 (5)	5,881.79	(4,847.96) (3)	(2,082.89)	(1,049.06) (6)	
July 2020	8,076.98 (5)	7,269.28	(5,144.81) (3)	(620.57)	1,503.90	
September 2020	6,533.95 (5)	5,880.56	(4,442.01) (3)	(474.88)	963.67	
October 2020	6,151.85 (5)	5,536.67	(4,571.91) (3)	(91.46)	873.30	
November 2020	6,053.26 (5)	5,447.93	(4,637.84) (3)	(161.59)	648.50	
December 2020	6,368.09 (5)	5,731.28	(3,309.97) (3)	(227.73)	2,193.58	
2020 Total					<u>8,347.06</u>	
January 2021	6,642.10 (5)	5,977.89	(2,675.97) (3)	(205.71)	3,096.21	
February 2021	6,642.10 (5)	5,977.89	(5,000.23) (3)	(343.30)	634.36	
March 2021 (7)	6,642.10 (5)	5,977.89	(5,627.67)	(379.87)	(29.65)	
2021 Total					<u>3,700.93</u>	
Total					\$ <u>48,748.55</u>	

See next page for explanation of the footnotes for this appendix.



Appendix C  
City of Holland  
Estimated Undeposited Utility Receipts  
January 1, 2018, through April 30, 2021

- (1) Complete utility receipt records were not maintained for these time periods.
- (2) Estimated utility receipts were calculated by multiplying the actual or estimated utility amount billed (calculated in footnote (5)) by the collection percentage of 90 percent.

Utility statement records were only maintained for January, February, May, and August 2020. Auditors calculated the percentage of utility billings collected for these 4 months to use as the basis for estimating utility receipts collected and not deposited for the 35 months when complete receipt records were not maintained.

Calculation of Collection Percentage			
Month and Year	(a) Utility Amount Billed	(b) Utility Receipts Collected	(b)/(a) Collection Percentage
January 2020	\$ 6,586.57	6,500.03	99%
February 2020	6,489.94	5,808.50	90%
May 2020	6,609.97	5,883.12	89%
August 2020	7,093.32	5,971.60	84%
Total	\$ 26,779.80	24,163.25	90%

- (3) See Appendix B, column titled Net Total Undeposited Over/(Under). Amounts billed each month are collected/receipted in the following month, so amounts billed each month shown in this appendix correspond to the next month's deposits/amounts undeposited in Appendix B.
- (4) The 2018 and 2019 utility amounts billed are estimated at 5 percent less than the 2020 average monthly billing because the base water rate for 2018 and 2019 was \$27.00, or 5 percent less than the 2020 base rate of \$28.35 noted in footnote (5).
- (5) Auditors calculated monthly billing amounts using the meter readings retained for utility customers for the year ending December 31, 2020, below. Monthly billings include a base charge of \$28.35 for the first 1,000 gallons of water usage, then additional charges of \$0.55 for each additional hundred gallons, sales tax of 1.445 percent on water sales, and a \$20 sewer fee, if applicable. In addition, an annual primacy fee of \$3.24 was charged to customers in approximately August of each year. This calculation follows.

Calculation of 2020 Average Monthly Billing	
Month and Year	Utility Amount Billed
January 2020	\$ 6,586.57
February 2020	6,489.94
March 2020	6,253.71
April 2020	6,952.28
May 2020	6,609.97
June 2020	6,535.32
July 2020	8,076.98
August 2020	7,093.32
September 2020	6,533.95
October 2020	6,151.85
November 2020	6,053.26
December 2020	6,368.09
Total	\$ 79,705.24
Average Monthly Billing	\$ 6,642.10

- (6) Several utility statements recorded as paid during this month were for prior months' billings, which caused the negative amount in our calculation of estimated undeposited utility receipts.
- (7) March 2021 utility billings were due in April 2021 prior to the Acting Mayor's termination.

Appendix D  
City of Holland  
Undeposited 2020 Property Tax Receipts

Deposit Date	Fund	Deposited	(1)			(2)			Checks and Money			Total Undeposited
			(1) Recorded Cash Receipts	(1) Recorded Check and Order Receipts	(1) Recorded Receipts with no Payment Method of Indicated	(2) Unrecorded Orders	(2) Money	(2) Checks and	Cash Deposited	Orders Deposited	Total Deposited	
12/18/20	General	\$	248.02	2,150.64	9.92	(3)	450.87	2,859.45	0.00	2,611.43	2,611.43	(248.02)
12/18/20	Water	(4)	0.00	0.00	0.00		88.08	88.08	0.00	88.08	88.08	0.00
12/30/20	General		0.00	1,063.56	60.92	(3)	705.09	1,829.57	0.00	1,830.57	1,830.57	1.00
2020 Subtotal			248.02	3,214.20	70.84		1,244.04	4,777.10	0.00	4,530.08	4,530.08	(247.02)
01/19/21	General		160.05	121.11	0.00		46.34	327.50	0.00	166.46	166.46	(161.04)
03/05/21	Water	(4)	0.00	0.00	0.00		39.60	39.60	0.00	39.60	39.60	0.00
03/11/21	Water	(4)	0.00	0.00	0.00		25.04	25.04	0.00	25.04	25.04	0.00
03/25/21	General		46.34	0.00	0.00		78.36	124.70	0.00	78.36	78.36	(46.34)
04/28/21	General		0.00	47.70	214.85	(3)	0.00	262.55	0.00	262.55	262.55	0.00
2021 Subtotal			206.39	168.81	214.85		189.34	779.39	0.00	572.01	572.01	(207.38)
Unknown	N/A	(5)	0.00	0.00	73.91		0.00	73.91	0.00	0.00	0.00	(73.91)
Total		\$	454.41	3,383.01	359.60		1,433.38	5,630.40	0.00	5,102.09	5,102.09	(528.31)

- (1) Recorded receipts represent property tax billings in the property tax book marked paid, copies of property tax billing statements marked paid, or receipt slips showing property tax payments received.  
(2) Represents deposited checks and money orders for which a paid property tax statement or other receipt slip was not maintained by the city.  
(3) The contents of the deposit indicated the payments were made by check or money order.  
(4) These property tax receipts were deposited with water and sewer receipts on this date.  
(5) These 2020 property tax billing statements were marked paid; however, the date they were paid was not documented. Therefore, we could not determine if they were paid in 2020 or 2021 or determine an approximate date they should have been deposited.

Appendix E  
City of Holland  
Acting Mayor's Utility Services Not Paid  
January 1, 2020, through April 30, 2021

Month and Year	Beginning Meter Reading		Ending Meter Reading	Gallons of Usage	Billing Amount (1)				Total	
	Meter Reading				Water	Sales Tax	Sewer	Primacy Fee	Amount of Billing	
January 2020	793,300		793,500	200	\$ 28.35	0.41	20.00	0.00	48.76	
February 2020	793,500		794,000	500	28.35	0.41	20.00	0.00	48.76	
March 2020	794,000		794,500	500	28.35	0.41	20.00	0.00	48.76	
April 2020	794,500		796,400	1,900	33.30	0.48	20.00	0.00	53.78	
May 2020	796,400		797,400	1,000	28.35	0.41	20.00	0.00	48.76	
June 2020	797,400		797,400 (2)	0	0.00	0.00	0.00	0.00	0.00	
July 2020	797,400		802,100	4,700	48.70	0.70	20.00	0.00	69.40	
August 2020	802,100		804,200	2,100	34.40	0.50	20.00	3.24	58.14	
September 2020	804,200		805,300	1,100	28.85	0.42	20.00	0.00	49.27	
October 2020	805,300		807,600	2,300	35.50	0.51	20.00	0.00	56.01	
November 2020	807,600		809,300	1,700	32.20	0.47	20.00	0.00	52.67	
December 2020	809,300		811,200	1,900	33.30	0.48	20.00	0.00	53.78	
				2020 Subtotal	359.65	5.20	220.00	3.24	588.09	
January 2021	811,200		812,200	1,000	28.35	0.41	20.00	0.00	48.76	
February 2021	812,200		814,300	2,100	34.40	0.50	20.00	0.00	54.90	
March 2021	814,300		816,300	2,000	33.85	0.49	20.00	0.00	54.34	
April 2021	816,300		819,600	3,300	41.00	0.59	20.00	0.00	61.59	
				2021 Subtotal	137.60	1.99	80.00	0.00	219.59	
				Total	\$ 497.25	7.19	300.00	3.24	807.68	

(1) Monthly billings include a base charge of \$28.35 for the first 1,000 gallons of water usage, then additional charges of \$0.55 for each additional hundred gallons, sales tax of 1.445 percent on water sales, and a \$20 sewer fee. In addition, an annual primacy fee of \$3.24 is charged to customers in approximately August of each year.

(2) No billed amounts were calculated because the beginning and ending meter reading did not change.



# Scott Fitzpatrick

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## Missouri State Auditor

### City of Cuba

Report No. 2023-025

June 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the City of Cuba

Utility Transfers	The city has not established adequate procedures to ensure transfers from utility funds are reasonable and used for intended purposes. The city's audited financial statements report transfers from the Electric and Natural Gas Funds to the General Fund of \$1.8 million and \$1.7 million for the years ended June 30, 2020, and 2021, respectively.
Budgets	City budget documents approved by the Board for the years ended June 30, 2022, 2021, and 2020, do not reflect the anticipated fund balances, reducing the effectiveness of the budget as a tool for monitoring or controlling disbursements. In addition, the Board does not receive budget-to-actual information or actual cash and fund balance information, which are necessary to monitor the city's financial condition.
Procurement Procedures and Contracts	The city has not periodically solicited proposals for various contracted and professional services, did not always enter into written contracts when required, and did not have procedures to monitor contracts. The city entered into contracts with multiple and/or indefinite renewal periods and did not have procedures in place to identify expired contracts. As a result, the city did not periodically evaluate the services provided and determine if soliciting proposals was in the city's best interest.
City Planning	The city has not updated its required comprehensive plan since its adoption in 2003 and, as a result, this plan may not reflect the current needs of the city.
Worker Classification	The city did not adequately document why it classified the Waste Water Treatment Plant Manager as an independent contractor. Upon the Waste Water Treatment Plant Manager's retirement in March 2016, the Board entered into a written agreement for the individual to perform the same duties he performed before retirement until it hired and trained a new employee. The city did not hire anyone to fill the manager position, and the individual continues to perform the work as of March 2023.
Visitor Center	City officials sold merchandise at the city visitor center without Board knowledge or approval and circumvented city accounting controls and procedures. As a result the Board could not properly oversee these operations.
Electronic Communication Policy	The city has not developed a records management and retention policy in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms. Additionally, the city has not always retained text messages in accordance with requirements.

In the areas audited, the overall performance of this entity was **Fair**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

All reports are available on our Web site: [auditor.mo.gov](http://auditor.mo.gov)

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# City of Cuba

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the Honorable Mayor  
and  
Members of the Board of Aldermen  
City of Cuba, Missouri

The State Auditor was petitioned under Section 29.230, RSMo, to audit the City of Cuba. We have audited certain operations of the city in fulfillment of our duties. The city engaged Sikich Certified Public Accountants (CPAs) and Business Advisors, LLP, to audit the city's financial statements for the year ended June 30, 2021. To minimize duplication of effort, we reviewed the CPA firm's audit report. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2021. The objectives of our audit were to:

1. Evaluate the city's internal controls over significant management and financial functions.
2. Evaluate the city's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the city, as well as certain external parties; and performing sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the city's management and was not subjected to the procedures applied in our audit of the city.



For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of the City of Cuba.

A handwritten signature in black ink, reading "Scott Fitzpatrick". The signature is written in a cursive, flowing style with a large initial "S" and "F".

Scott Fitzpatrick  
State Auditor

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# City of Cuba

## Management Advisory Report

### State Auditor's Findings

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#### 1. Utility Transfers

The city has not established adequate procedures to ensure transfers from city utility funds are reasonable and used for intended purposes. The Board has no documentation for the basis of the transfers (e.g. reimbursement for utility expenditures paid from the General Fund or administrative expense allocations) from restricted Electric and Natural Gas Funds to the General Fund. Instead, city officials indicated the amounts transferred each quarter are based on the amount necessary to cover budget shortfalls in the General Fund and prevent the General Fund from having a deficit fund balance. The city's audited financial statements report transfers from the Electric and Natural Gas Funds to the General Fund of \$1.8 million and \$1.7 million for the years ended June 30, 2020, and 2021, respectively.

Transferring restricted utility money may result in the city not having sufficient reserve funding available to ensure the utility system operates efficiently and effectively. The city's Electric Utility Cost of Service and Rate Design Study Report (preliminary report dated September 2022) conducted by BHMG Engineers, Inc., recommends the city consider lowering the amount of transfers out of the Electric Fund to build reserves to a recommended minimum.

To ensure utility transfers are reasonable and used only for utility fund operations, and reserve funding is sufficient, it is important the city evaluate the value of government services the transfers are offsetting and document the process for determining the amounts transferred to the General Fund.

#### Recommendation

The Board of Aldermen discontinue transferring money from the Electric and Natural Gas Funds to the General Fund unless such transfers support the utilities and are properly justified, documented, and authorized.

#### Auditee's Response

*The Board of Aldermen will continue to monitor the transfer of Electric and Natural Gas funds and ensure such transfers are supported and are properly justified, documented, and authorized by the rate study.*

---

#### 2. Budgets

##### Preparation

The Board of Aldermen does not have adequate procedures to prepare city budgets or adequately monitor the city's financial condition or cash balances.

City budget documents approved by the Board for the years ended June 30, 2022, 2021, and 2020, do not reflect the anticipated fund balances, reducing the effectiveness of the budget as a tool for monitoring or controlling disbursements. In addition, the budgets did not include a budget message, beginning and estimated ending available resources for each fund, or comparative statements of actual or estimated revenues or expenditures for the 2 previous years as required.

City budgets do not include the beginning fund balance so the budgeted ending available balance does not reasonably reflect potential fund balance.



## City of Cuba Management Advisory Report - State Auditor's Findings

Instead, the Comptroller includes current year budgeted revenues and expenditures. If budgeted expenditures exceed budgeted revenues, the Comptroller will add "other resources (retained earnings)" (accounting system title) or "transfers in" in the amount of the difference to ensure the ending budgeted balance is \$0. The "other resources" may include a portion of the beginning balance, but the \$0 ending balance does not necessarily represent a reasonable ending balance. For example, following are the city's General Fund budgets for the 3 years ended June 30, 2022.

	Year Ended June 30,		
	2022	2021	2020
Revenues	\$ 1,190,400	1,216,200	1,266,700
Other Resources (Retained Earnings)	-	-	-
Transfers In	2,328,090	2,224,963	2,000,825
Total Resources	\$ 3,518,490	3,441,163	3,267,525
Expenditures	\$ 3,518,490	3,441,163	3,267,525
Transfers Out	-	-	-
Total Expenditures	\$ 3,518,490	3,441,163	3,267,525
Resources Less Expenditures	\$ -	-	-

A complete and well-planned budget, in addition to meeting statutory requirements, can serve as a useful management tool by establishing specific financial expectations for each area of city operations. Realistic projections of the city's available resources and uses of funds are essential for the efficient management of finances and for communicating accurate financial data to city residents. Section 67.010, RSMo, requires the budget to present a complete financial plan for the ensuing budget year and sets specific guidelines for the information to be included in the budget. The Comptroller indicated the city uses the budget feature of the accounting software and has examples of budgets from other cities, but has not had time to incorporate all elements into the city's budget.

### Monitoring

The Board is not adequately monitoring the city's financial condition, as it does not receive budget-to-actual information or actual cash and fund balance information. Instead, the Board only receives proposed quarterly budget revisions. Proper monitoring of budget-to-actual and actual cash and fund balance information is necessary for the budget to be an effective management tool and ensure the Board is fully aware of the financial condition of city funds. The Board indicated it believes expenditures presented for approval are properly budgeted and sufficient funding is available or the items would not be presented.

### Recommendation

The Board of Aldermen prepare annual budgets that contain all information required by state law and provide reasonable estimates of anticipated ending



City of Cuba  
Management Advisory Report - State Auditor's Findings

fund balances. The Board should also ensure it receives detailed financial data to adequately monitor budgets and the city's financial condition.

## Auditee's Response

*The Board of Aldermen will ensure detailed financial data is received to adequately monitor and prepare budgets that contain all information required by state law and provide reasonable estimates of anticipated ending fund balances.*

### 3. Procurement Procedures and Contracts

The city has not periodically solicited proposals for various contracted and professional services and does not have procedures to identify expiring contracts. We judgmentally selected 13 of 44 (30 percent) city vendors with disbursements for contract labor or professional services for review. Payments to these 13 vendors totaled approximately \$939,000 for the year ended June 30, 2021. Our review noted the following concerns:

#### Professional services

The city did not solicit proposals for professional services, including economic development services (\$62,830) and engineering services (\$192,992). City personnel indicated they did not solicit proposals on all professional services because the city code excluded professional services from the purchasing requirements.

#### Contracts

The city entered into contracts with multiple and/or indefinite renewal periods and did not have procedures in place to identify expired contracts. As a result, the city did not periodically evaluate the services provided and determine if soliciting proposals was in the city's best interest and continued to pay vendors without current written contracts. During the year ended June 30, 2021, the city issued disbursements for sanitation services totaling \$174,585 based on a contract that expired in 2009, legal services totaling \$29,650 based on a contract entered into in 2006 that was continuously renewed without a competitive selection process, and economic development services totaling \$62,830 based on a contract that expired in 2017.

#### Conclusion

Periodically soliciting proposals for professional services is a good business practice, helps provide a range of possible choices, and allows the city to make better-informed decisions to ensure necessary services are obtained from the best qualified provider after taking expertise, experience, and cost into consideration. For engineering services, Sections 8.289 and 8.291, RSMo, provide the requirements for obtaining, evaluating, and negotiating for such services.

In addition, current, clear, and detailed written contracts allow for proper monitoring, are necessary to ensure all parties are aware of their duties and responsibilities, prevent misunderstandings, and ensure taxpayer dollars are used appropriately and effectively. Section 432.070, RSMo, requires contracts for political subdivisions to be in writing.



City of Cuba  
Management Advisory Report - State Auditor's Findings

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## Recommendation

The Board of Aldermen update the city code to include competitive selection for professional services, and ensure city code complies with statutory provisions. In addition, the Board should solicit competitive bids or proposals for contract and professional services on a periodic basis, develop procedures to identify expiring contracts, and enter into written agreements as required.

## Auditee's Response

*The Board of Aldermen will work to better monitor and solicit all contracts for professional services and update the city code to include competitive selection and ensure city code complies with statutory provisions.*

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## 4. City Planning

The city has not updated its required comprehensive plan since its adoption in 2003 and, as a result, this plan may not reflect the current needs of the city. The Mayor indicated that parts of the plan have been updated but the city had not considered the need to update the entire plan.

According to a report from the Missouri Municipal League (MML)<sup>1</sup>, a "city plan is a detailed development plan, commonly referred to as a comprehensive development plan or master plan, showing the future growth of the municipality." The MML report also states that a "comprehensive plan . . . means that zoning decisions should be governed by what is good for the community as a whole rather than by what is best for an individual land owner."

Section 89.340, RSMo, requires the city's planning and zoning commission to make and adopt a city plan and comprehensive plan to help guide future decisions regarding development of the municipality. In addition, a comprehensive plan helps ensure efficient and effective use of city resources.

## Recommendation

The Board of Aldermen update the city's comprehensive plan and use it to guide future decisions regarding development of the municipality.

## Auditee's Response

*The Board of Aldermen will work with Meramec Regional Planning Commission and Missouri Municipal League to get a cost for budgeting and start to update the city's comprehensive plan.*

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## 5. Worker Classification

The city did not adequately document why it classified the Waste Water Treatment Plant Manager as an independent contractor. Upon the Waste Water Treatment Plant Manager's retirement in March 2016, the Board entered into a written agreement, effective April 1, 2016, with him to perform the same duties he performed before retirement until it hired and trained a new employee. The city did not hire anyone to fill the manager position, and he continues to perform the work as of March 2023.

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<sup>1</sup> <<https://www.mocities.com/Web/News/Technical-Bulletin-Pages/Planning-and-Zoning-Procedures-for-Missouri-Municipalities.aspx>>, accessed March 14, 2023.



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City of Cuba  
Management Advisory Report - State Auditor's Findings

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When the city entered into the agreement with the manager, they changed the position classification from employee to independent contractor and did not document the reason for the change. There were no significant modifications to the manager's responsibilities, and the manager continued to receive employee benefits including the use of a city vehicle and required continuing education. City officials indicated they reclassified this position because the employee wished to retire and the city did not have any other employees trained to take over the responsibilities of this position. While this may be the case, there are certain requirements to meet the definition of an independent contractor and to remain eligible for the Missouri Local Government Employees Retirement System (LAGERS) retirement benefits while working. In addition, because the city classified the manager as an independent contractor, the city did not resume his contributions to the LAGERS, and the city did not withhold payroll taxes.

Section 70.686, RSMo, provides that a retiree who becomes reemployed in a position covered by a participating political subdivision shall be considered a reemployed member with contributions due immediately. In addition, Section 70.630.3, RSMo, provides that in any case of question as to the system membership status of any person, the LAGERS board shall decide the question. Internal Revenue Source Publication 15-A provides guidance on what to examine when determining whether an individual is an employee or independent contractor including, but not limited to, whether an individual sets their own schedule, provides their own tools, and receives employee benefits; and whether the work is in the normal course of business for the city.

Proper classification of employees is necessary to ensure compliance with various state and federal laws and regulations. In addition, if an employee is classified as an independent contractor and there is no reasonable basis for doing so, the city is liable for employment taxes for that employee.

## Recommendation

The Board of Aldermen ensure all persons hired by the city are properly classified as employees or contract employees in compliance with state and federal laws and regulations. In addition, the Board should resume contributions for retired employees who are reemployed in a position covered by the LAGERS as required by state law.

## Auditee's Response

*The Board of Aldermen will ensure all future persons hired by the city are properly classified as employees or contract employees in compliance with state and federal laws and regulations. The Board of Aldermen will contact legal counsel and LAGERS to ensure compliance with state law.*

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## 6. Visitor Center

City officials sold merchandise at the city visitor center without Board approval and circumvented city accounting controls and procedures.



City of Cuba  
Management Advisory Report - State Auditor's Findings

## 6.1 Board approval

City officials sold merchandise and consigned goods at the visitor center without Board knowledge or approval. As a result the Board could not properly oversee these operations. A review of Board meeting minutes found no discussion of the sales or any approval. Tourism Board meeting minutes indicate the visitor center and the purchase of promotional materials was discussed but not merchandise or consignment sales. Board members indicated they were aware city personnel displayed items of local businesses but were not notified of the addition of selling items.

## 6.2 Accounting controls and procedures

Accounting controls and procedures over sales at the city's visitor center need improvement.

- City personnel did not issue receipt slips for merchandise sales and were not aware of money or inventory that should be on hand. The city sells Osage Trail shirts and uses the proceeds to purchase promotional cards for tourism. During a cash count, we found \$131 in an envelope marked "Osage money" that city personnel indicated was from t-shirt sales. However, there were no receipt slips issued or records to indicate what was sold, when the sale took place, or how much money was collected.

Visitor center personnel indicated collections and inventory purchases were not processed through the normal city procedures because they did not want to wait for the city to issue a payment for the promotional items.

- The visitor center allows local vendors to display and sell merchandise on consignment at the visitor center without a written agreement and does not issue receipt slips for the sales or otherwise track receipts and items sold. Items for sale included Christmas cards, books, apparel, key chains, and jarred sauces from various local restaurants. During a cash count, we found \$175 in an envelope marked "Viva Cuba" and \$171 in the cash register. However, there were no receipt slips issued or records to indicate what was sold, when the sale occurred, or how much money was collected or disbursed to vendors. As noted, the Board was not aware of these operations so it did not ensure consignment operations followed city procedures.

Failure to implement adequate receipting, recording, and transmitting procedures increases the risk that loss, theft, or misuse of money will occur and increases the likelihood that errors will go undetected. Clear and detailed written contracts are necessary to ensure all parties are aware of their duties and responsibilities and to prevent misunderstandings. In addition, Section 432.070, RSMo, requires contracts for political subdivisions to be in writing.





City of Cuba  
Management Advisory Report - State Auditor's Findings

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## Recommendations

The Board of Aldermen:

6.1&

6.2 Review visitor center sales and determine if it is an appropriate function of the city. If so, the Board should implement proper oversight and accounting controls and procedures including requiring receipt slips and inventory tracking, and enter into written contracts with consignment vendors.

## Auditee's Response

*The Board of Aldermen ceased all sales of merchandise at the visitor center upon the auditors notifying them of the issue.*

---

## 7. Electronic Communication Policy

The city has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms. Additionally, the city has not always retained text messages in accordance with statutory requirements.

According to city officials, text messages are often used when conducting city business. However, the city does not maintain records of business related text messages. The Board indicated it was unaware of the record retention requirements and the electronic communications guidelines.

Section 109.210(5), RSMo, defines a public record as "documents, books, papers, photographs, maps, sound recordings or other material, regardless of physical form or characteristics, made or received pursuant to law or in connection with the transaction of official business." Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of records. The guidelines for managing electronic communications records can be found on the Secretary of State's website.<sup>2</sup>

The Board of Aldermen can help ensure compliance with state law by developing written policies to address the use of personal email, social media and message accounts, and management and retention of electronic communications, and retaining these records accordingly.

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<sup>2</sup> Missouri Secretary of State Record Services Division, *Electronic Communications Records Guidelines for Missouri Government*, May 14, 2019, is available at <<https://www.sos.mo.gov/CMSImages/LocalRecords/CommunicationsGuidelines.pdf>>, accessed March 16, 2023.





City of Cuba  
Management Advisory Report - State Auditor's Findings

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**Recommendation**

The Board of Aldermen develop a written records management and retention policy to address electronic communications management and retention to comply with Missouri Secretary of State Records Services Division electronic communications guidelines. In addition, retain electronic communication in accordance with these policies.

**Auditee's Response**

*The Board of Aldermen is moving forward to implement a written records management and retention policy to address electronic communications management to comply with Missouri Secretary of State Records Services Division electronic communications guidelines.*

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# City of Cuba

## Organization and Statistical Information

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The City of Cuba is located in Crawford County. The city was incorporated in 1857 and is currently a fourth-class city. The city employed 43 full-time employees and 22 part-time employees on June 30, 2021. The city's population was 3,181 in 2020, according to the U.S. Census Bureau.

City operations include law enforcement services, maintenance of streets, utilities (gas, electric, water, and sewer), airport management, animal control, visitor center, and parks and recreation.

### Mayor and Board of Aldermen

The city government consists of a mayor and 6-member board of aldermen, a city collector, and a city marshal. The board members are elected for 2-year terms. The mayor is elected for a 2-year term, presides over the board of aldermen, and votes only in the case of a tie. The Mayor and Board of Aldermen, as of June 30, 2021, are identified below. The Mayor is paid \$1,000 per month and the Board of Aldermen members are paid \$500 per month. The compensation of these officials is established by ordinance.

Cody Leathers, Mayor  
Warren Graddy, Alderman, Ward 1  
Vacant, Alderwoman, Ward 1 (1)  
Sam Black, Alderman, Ward 2  
Curtis Holt, Alderman, Ward 2  
Jeff Bouse, Alderman, Ward 3  
Kevin Copling, Alderman, Ward 3

(1) Debbie Martin resigned on June 15, 2021. Dave Honea was appointed July 20, 2021, to fill this vacancy.

### Financial Activity

City financial activity for the year ended June 30, 2021, obtained from the city's audited financial statements follows.

**CITY OF CUBA, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	General	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 928,560	434,292	856,883	2,219,735
Licenses and permits	40,287	-	-	40,287
Fines and forfeitures	28,635	-	-	28,635
Charges for services	8,083	-	96,239	104,322
Grants and contributions	42,882	-	355,592	398,474
Other	109,233	-	20,955	130,188
Total Revenues	<u>1,157,680</u>	<u>434,292</u>	<u>1,329,669</u>	<u>2,921,641</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,690,326	-	-	1,690,326
Public safety	1,161,199	-	-	1,161,199
Highways and streets	-	-	376,921	376,921
Culture and recreation	-	-	60,148	60,148
Airport	-	-	85,209	85,209
Tourism	-	-	39,276	39,276
Capital outlay	301,434	-	853,768	1,155,202
Total Expenditures	<u>3,152,959</u>	<u>-</u>	<u>1,415,322</u>	<u>4,568,281</u>
<b>REVENUES OVER (UNDER)</b>	<u>(1,995,279)</u>	<u>434,292</u>	<u>(85,653)</u>	<u>(1,646,640)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	108,921	-	-	108,921
Transfers in	1,800,000	-	285,800	2,085,800
Transfers out	-	(202,000)	(160,800)	(362,800)
Total Other Financing Sources (Uses)	<u>1,908,921</u>	<u>(202,000)</u>	<u>125,000</u>	<u>1,831,921</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(86,358)</u>	<u>232,292</u>	<u>39,347</u>	<u>185,281</u>
<b>FUND BALANCES, JULY 1</b>	<u>1,081,201</u>	<u>1,312,602</u>	<u>1,278,580</u>	<u>3,672,383</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 994,843</u>	<u>1,544,894</u>	<u>1,317,927</u>	<u>3,857,664</u>

**CITY OF CUBA, MISSOURI**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN**  
**NET POSITION - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Electric</b>	<b>Waterworks</b>	<b>Natural Gas</b>	<b>Total</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 6,052,841	1,372,162	2,023,723	9,448,726
Other revenue	48,199	40,747	15,211	104,157
Total Operating Revenues	6,101,040	1,412,909	2,038,934	9,552,883
<b>OPERATING EXPENSES</b>				
Personnel services	224,132	212,773	148,773	585,678
Contracted services	83,550	153,146	31,335	268,031
Utilities	5,701,122	-	1,339,082	7,040,204
Materials and supplies	45,355	61,891	36,473	143,719
Depreciation	157,649	369,237	89,990	616,876
Other	100,443	123,514	17,122	241,079
Total Operating Expenses	6,312,251	920,561	1,662,775	8,895,587
<b>OPERATING INCOME (LOSS)</b>	(211,211)	492,348	376,159	657,296
<b>NONOPERATING REVENUES</b>				
<b>(EXPENSES)</b>				
Investment income	-	2	-	2
Interest expense and fees	-	(23,640)	-	(23,640)
Total Nonoperating Revenues (Expenses)	-	(23,638)	-	(23,638)
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	(211,211)	468,710	376,159	633,658
<b>TRANSFERS</b>				
Transfers out	(1,287,075)	-	(435,925)	(1,723,000)
<b>CHANGE IN NET POSITION</b>	(1,498,286)	468,710	(59,766)	(1,089,342)
<b>FUND BALANCES, JULY 1</b>	3,013,538	6,229,453	2,862,299	12,105,290
<b>NET POSITION, JUNE 30</b>	\$ 1,515,252	6,698,163	2,802,533	11,015,948



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
April 2023

Report No. 2023-024

June 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## April 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 56 political subdivisions required to file a financial report by April 30, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the reports submitted and, accordingly, do not express an opinion or any other assurance on them.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in April 2023, after their filing deadline. The filing status for these 11 entities is presented in summary on page 3 and by individual entity in Appendixes B to D.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## April 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

This report includes the filing status for the 56 political subdivisions, other than cities, towns, and villages, with a fiscal year end of October 31, 2022. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 56 political subdivisions, 47 filed an annual financial report timely.

This report also includes the filing status for 11 political subdivisions, other than cities, towns, and villages, that filed their financial report in April 2023, after their filing deadline.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due April 30, 2023

Fiscal Year Ended October 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Adair	PWSD 1 Adair County	No	
Atchison	Corning Levee District 2	Yes	December 5, 2022
	Fairfax Drainage District	Yes	March 28, 2023
Buchanan	DeKalb FPD	Yes	December 1, 2022
Cape Girardeau	Little River Drainage District	Yes	February 16, 2023
Carroll	Baltimore Bend Levee District	No	
	Wakenda Township Drainage District	Yes	December 5, 2022
Cass	58 Hwy Regional Market Center CID	Yes	April 17, 2023
	Belton/Raymore Interchange TDD	Yes	April 10, 2023
	Foxridge CID	Yes	April 10, 2023
	Foxwood Village Shops CID	Yes	April 10, 2023
	Highway 58 & Dean Avenue CID	Yes	April 17, 2023
	Hubach Hill Road/North Cass Parkway CID	Yes	April 10, 2023
	Hubach Hill Road/North Cass Parkway TDD	Yes	April 10, 2023
	Jeter Farm CID	Yes	February 28, 2023
	Raymore Galleria CID	Yes	April 27, 2023
Clay	Smithville Commons CID	Yes	April 17, 2023
Cole	Capital Mall CID	Yes	April 20, 2023
	Missouri State Penitentiary CID	Yes	April 21, 2023
	St. Mary's Hospital CID	Yes	April 20, 2023
Dade	Dade County R-IV Rural FPD	Yes	December 27, 2022
Gentry	Grand River Regional Ambulance District	Yes	April 26, 2023
Jackson	Ditzler CID	Yes	November 15, 2022
	Highway 350 CID	Yes	March 1, 2023
	PWSD 1 Jackson County	Yes	April 27, 2023
	Raytown Crossing CID	Yes	April 28, 2023
	Raytown Highway 350 TDD	Yes	April 21, 2023
	Raytown Square CID	Yes	April 28, 2023
Jasper	1717 Market Place TDD	No	
	510 Rangeline CID	Yes	April 26, 2023
	Centennial Railroad TDD	Yes	April 21, 2023
	Joplin Public Library District	Yes	January 24, 2023
	Northpark Lane CID	Yes	April 27, 2023
Jefferson	Auto Plaza CID	Yes	March 7, 2023
	Highway 21 TDD	Yes	April 21, 2023
	North Jefferson Ambulance District	Yes	January 19, 2023
	Valle Ambulance District	Yes	December 1, 2022
Knox	PWSD 1 Knox County	Yes	February 22, 2023
Lafayette	PWSD 1 Lafayette County	Yes	January 17, 2023
	Wellington-Napoleon FPD	No	
Lewis	Gregory Levee District	Yes	November 10, 2022
	Lewis County Nursing Home District	Yes	January 18, 2023
Macon	Callao Town & Country Volunteer FPD	No	
Montgomery	PWSD 1 Montgomery County	Yes	February 27, 2023
New Madrid	Drainage District 18 New Madrid County	Yes	March 9, 2023
	St. John's Bayou Basin Drainage District	Yes	November 11, 2022
Newton	32nd Street Place CID	Yes	April 26, 2023

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due April 30, 2023

Fiscal Year Ended October 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Newton	Hope Valley CID	No	
Osage	Meta Fire & Rescue FPD	Yes	December 12, 2022
Platte	Platte City Market Center CID	Yes	February 20, 2023
	PWSD 3 Platte County	No	
Ray	Ray County Memorial Hospital	Yes	March 20, 2023
Ste. Genevieve	Ste. Genevieve Ambulance District	Yes	January 6, 2023
Sullivan	Sullivan County Memorial Hospital	No	
Warren	Warrenton FPD	Yes	February 24, 2023
Wayne	East Wayne Ambulance District	No	
Total Filed		47	
Total Not Filed		9	

Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
PWSD	Public Water Supply District
TDD	Transportation Development District

Appendix B  
 Status of Political Subdivisions Required to File Annual Financial Reports  
 Reports Due June 30, 2022  
 Filed in April 2023

Fiscal Year Ended December 31, 2021

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Maries	Belle Fire Protection District	Yes	April 12, 2023
Total Filed		1	

## Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in April 2023

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Buchanan	2317 Belt CID	Yes	April 11, 2023
Caldwell	Caldwell County Ambulance District	Yes	April 14, 2023
Dent	Salem Memorial Hospital District	Yes	April 6, 2023
Howard	Historic Downtown Fayette CID	Yes	April 6, 2023
Jackson	Crackerneck Center CID	Yes	April 1, 2023
Pettis	1705 Broadway CID	Yes	April 11, 2023
St. Louis City	Railway Exchange Building CID	Yes	April 25, 2023
	Railway Exchange Building TDD	Yes	April 25, 2023
Total Filed		8	

### Acronyms:

CID            Community Improvement District  
TDD           Transportation Development District

Appendix D

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due February 28, 2023

Filed in April 2023

Fiscal Year Ended August 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Lawrence	Lawrence County Nursing Home District	Yes	April 18, 2023
Washington	Washington County Memorial Hospital	Yes	April 4, 2023
Total Filed		2	



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
April 2023

Report No. 2023-023

June 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## April 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by April 30, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 14 cities is presented in summary on page 4 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in April 2023, after their filing deadline. The filing status for these 15 cities and 2 villages is presented in summary on page 4 and by individual entity in Appendixes B to F.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor



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# Monthly Report on Municipal Court and Revenue Filings

April 2023

## Executive Summary

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### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires that the SAO notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and mandatory ballot measure to dissolve the political subdivision.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



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Monthly Report on Municipal Court and Revenue Filings  
April 2023  
Executive Summary

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This report includes the filing status for the 14 cities with a fiscal year end of October 31, 2022, whose financial report was due by April 30, 2023. Of the 14 municipalities, 11 filed the financial report timely. Of the 13 municipalities required to file an addendum, 11 filed timely. Of the 6 municipalities required to file a certification, 3 filed timely.

This report includes the filing status for 15 cities and 2 villages that filed at least one of the items (financial report, addendum, or certification) in April 2023, after their filing deadline. Of these municipalities, 8 filed an annual financial report, 10 filed an addendum, and 3 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due April 30, 2023

Fiscal Year Ended October 31, 2022

County	Reporting Entity	Filed Annual	Date Financial Report Filed	Filed	Filed
		Financial Report		Addendum	Certification
Cass	City of Raymore	No		Yes	Yes
Clay	City of Smithville	No		No	N/A
Cole	City of Jefferson City	Yes	April 17, 2023	Yes	No
Holt	City of Maitland	Yes	April 27, 2023	Yes	N/A
	City of Oregon	No		Yes	N/A
Jackson	City of Raytown	Yes	April 28, 2023	No	No
Jasper	City of Asbury	Yes	March 6, 2023	N/A	N/A
	City of Cartersville	Yes	April 11, 2023	Yes	No
	City of Joplin	Yes	April 27, 2023	Yes	Yes
	City of Webb City	Yes	April 25, 2023	Yes	Yes
Jefferson	City of De Soto	Yes	April 24, 2023	Yes	N/A
Laclede	City of Conway	Yes	March 20, 2023	Yes	N/A
Linn	City of Marcelline	Yes	April 25, 2023	Yes	N/A
Platte	City of Platte City	Yes	April 26, 2023	Yes	N/A
Total Filed		11		11	3
Total Not Filed		3		2	3
Total N/A		0		1	8

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2022  
Filed in April 2023

Fiscal Year Ended December 31, 2021

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Gentry	City of Stanberry	***	July 25, 2022	Yes	N/A
St. Louis	City of Dellwood	***	September 30, 2022	Yes	Yes
Total Filed		0		2	1

\*\*\* Filed after June 30, 2022, but before April 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2022  
Filed in April 2023

Fiscal Year Ended March 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Clay	City of Mosby	***	November 18, 2022	Yes	N/A
Monroe	City of Paris	**	July 20, 2022	Yes	N/A
Total Filed		0		2	0

\*\* Filed by September 30, 2022.

\*\*\* Filed after September 30, 2022, but before April 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due October 31, 2022  
Filed in April 2023

Fiscal Year Ended April 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Lincoln	Village of Truxton	Yes	April 26, 2023	No	N/A
Total Filed		1		0	0

N/A Entities without a municipal judge are not required to file a certification.

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in April 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Cass	Village of Baldwin Park	Yes	April 3, 2023	N/A	N/A
Crawford	City of Cuba	Yes	April 5, 2023	No	No
Dunklin	City of Clarkton	Yes	April 10, 2023	No	**
Maries	City of Vienna	***	March 31, 2023	Yes	N/A
Total Filed		3		1	0

\*\* Filed by December 31, 2022.

\*\*\* Filed after December 31, 2022, but before April 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix F  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023  
Filed in April 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Camden	City of Camdenton	**	October 6, 2022	Yes	N/A
Johnson	City of Warrensburg	Yes	April 3, 2023	No	No
McDonald	City of Anderson	Yes	April 12, 2023	Yes	Yes
Ozark	City of Gainesville	Yes	April 4, 2023	Yes	N/A
St. Charles	City of Weldon Spring	Yes	April 3, 2023	**	**
St. Clair	City of Osceola	**	March 31, 2023	Yes	N/A
St. Louis	City of Normandy	**	March 31, 2023	Yes	**
Stone	City of Branson West	**	March 31, 2023	**	Yes
Total Filed		4		5	2

\*\* Filed by March 31, 2023.

N/A Entities without a municipal judge are not required to file a certification.





# Scott Fitzpatrick

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Missouri State Auditor

State of Missouri  
Annual Comprehensive Financial Report  
Report on Internal Control, Compliance, and Other Matters  
Year Ended June 30, 2022

Report No. 2023-022

May 2023

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the Annual Comprehensive Financial Report Report on Internal Control, Compliance, and Other Matters

Department of Revenue Financial Reporting Controls	The Department of Revenue does not have adequate controls and procedures over financial reporting of certain governmental and custodial fund financial activities. If not for calculation errors discovered by the audit, the Government Wide - Governmental Activities and General Fund net accounts receivable and related liability balances would have been overstated by approximately \$75 million in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022. Auditors also found several other calculation errors that resulted in both the overstatement and understatement of various balances.
Department of Social Services Financial Reporting Controls - Medicaid Payments	The Department of Social Services (DSS) - MO HealthNet Division (MHD) does not have adequate controls and procedures over financial reporting of Medicaid payment data. As a result, Medicaid payment data submitted to the Office of Administration (OA) - Division of Accounting (DOA) and used to estimate Medicaid accounts receivable and payable for inclusion in the ACFR for the year ended June 30, 2022, was misstated. If the misstatements had not been identified during the audit, Government Wide - Governmental Activities and General Fund accounts receivable would have been understated by approximately \$23 million and accounts payable would have been understated by approximately \$60 million in the ACFR.
Department of Social Services Financial Reporting Controls - Medicaid Accounts Receivable	The MHD does not have adequate controls and procedures over financial reporting of Medicaid drug rebate accounts receivable. As a result, data submitted to the DOA for inclusion in the ACFR for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, Government Wide - Governmental Activities and General Fund net accounts receivable and related liability balances would have been overstated by approximately \$30.6 million in the ACFR.
Department of Social Services Financial Reporting Controls - Accounts Payable	The DSS - Division of Finance and Administrative Services does not have adequate controls and procedures over financial reporting of accounts payable. As a result, accounts payable data submitted to the DOA for inclusion in the ACFR for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, Government Wide - Governmental Activities and General Fund accounts payable would have been overstated by approximately \$5.9 million in the ACFR.
Department of Natural Resources Financial Reporting Controls	The Department of Natural Resources does not have adequate controls and procedures over financial reporting of loans receivable. As a result, the loans receivable balance submitted to the DOA for inclusion in the ACFR for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, the Government Wide - Governmental Activities and Conservation and Environmental Protection Fund loans receivable balance would have been overstated by approximately \$27.5 million in the ACFR.

Office of Secretary of State Financial Reporting Controls	The Office of Secretary of State does not have adequate controls and procedures over financial reporting of accounts receivable. As a result, civil penalty accounts receivable data submitted to the DOA for inclusion in the ACFR for the year ended June 30, 2022, was misstated. If the resulting misstatements had not been identified during the audit, Government Wide - Governmental Activities and Public Education Fund net accounts receivable and related liability balances would have been overstated by at least \$9.7 million in the ACFR.
Department of Labor and Industrial Relations Financial Reporting Controls	The Department of Labor and Industrial Relations does not have adequate controls and procedures over financial reporting of Unemployment Compensation Fund financial activities. As a result, some balances submitted to the DOA for inclusion in the ACFR for the year ended June 30, 2022, were misstated, including an overstatement of the net position balance by approximately \$8 million. In addition, the financial reports were not submitted timely to the DOA.
Office of Administration Financial Reporting Controls - Fund Balance Classifications	The DOA does not have adequate controls and procedures over classification of ending fund balances. If a fund balance classification error had not been corrected, the Government Wide - Governmental Activities and General Fund restricted fund balance would have been overstated, and the unassigned fund balance would have been understated, by approximately \$1.4 billion in the ACFR for the year ended June 30, 2022.
Office of Administration SAM II Transaction Approvals	As noted in the Statewide Accounting System Internal Controls audit, OA management has not fully corrected a weakness in the Statewide Advantage for Missouri (SAM II) Financial system security settings that allows users to create a transaction and then apply approval to the same transaction without review or additional approval from another party.

Because of the nature of this audit, no rating is provided.

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# State of Missouri - Annual Comprehensive Financial Report

## Report on Internal Control, Compliance, and Other Matters

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# State of Missouri - Annual Comprehensive Financial Report

## Report on Internal Control, Compliance, and Other Matters

### Introduction

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#### **Summary of Financial Statement Audit Results**

In fulfillment of our duties under Section 29.200.10, RSMo, we issued our audit report (Report No. 2023-010<sup>1</sup>) of the State of Missouri's Annual Comprehensive Financial Report (ACFR), as of and for the year ended June 30, 2022, on March 24, 2023. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the ACFR audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

The State of Missouri's financial statements covered approximately \$57 billion in total assets and approximately \$34 billion in total expenses for state fiscal year 2022. Our report expressed qualified opinions on the governmental activities and the General Fund because we were not allowed access to tax returns and related source documents for income taxes. Our report expressed unmodified opinions on all remaining opinion units.

In connection with the audit, we tested internal controls and compliance with laws and regulations. The results of our tests are contained herein in our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. We reported nine findings related to internal control deficiencies at five state agencies and one office. We consider these findings to be significant deficiencies. The state agencies' and office's responses to the findings are included in this report. The agencies and office prepared a Corrective Action Plan (CAP) for each finding. The CAPs were submitted to the Office of Administration (OA) and will be included in the Corrective Action Plans section of the State of Missouri - Single Audit Report, to be issued later.

The state agencies and offices prepared and submitted to the OA the status of the prior audit findings. They will be presented in the Summary Schedule of Prior Audit Findings section of the State of Missouri - Single Audit Report.

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<sup>1</sup>The ACFR is available online at: <<https://oa.mo.gov/accounting/reports/annual-reports/annual-comprehensive-financial-reports>>.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Missouri, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State of Missouri's basic financial statements, and have issued our report thereon dated March 24, 2023. Our report expressed qualified opinions on the governmental activities and the General Fund, a major fund, because we were not allowed access to tax returns and related source documents for income taxes. Approximately 29 percent of governmental activities revenues and 32 percent of General Fund revenues are from this source. We were unable to satisfy ourselves by appropriate audit procedures as to the income tax revenue beyond the amounts recorded. Our report expressed unmodified opinions on all remaining opinion units.

Our report on the State of Missouri's financial statements includes a reference to other auditors who audited the financial statements of:

1. The Missouri Road Fund, a major fund; the Missouri Road Bond Fund; the Conservation Employees' Insurance Plan; the Transportation Self-Insurance Plan; the Missouri State Employees' Insurance Plan; the Missouri Consolidated Health Care Plan; and the Missouri Department of Transportation and Missouri State Highway Patrol Medical and Life Insurance Plan, which represent 61 percent of the assets and 9 percent of the revenues of the governmental activities.
2. The State Lottery Fund, a major fund, and the Petroleum Storage Tank Insurance Fund which represent 17 percent of the assets and 79 percent of the revenues of the business-type activities.
3. The aggregate discretely presented component units.



4. The pension (and other employee benefit) trust funds and the Missouri Department of Transportation custodial funds which represent 92 percent of the assets and 3 percent of the additions of the fiduciary funds.

This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

The financial statements of the Conservation Employees' Insurance Plan, Missouri State Employees' Insurance Plan, and the Missouri Consolidated Health Care Plan, internal service funds; the Missouri Development Finance Board, the Missouri Agricultural and Small Business Development Authority, and the State Environmental Improvement Energy Resources Authority, discretely presented component units; and the pension (and other employee benefit) trust funds were not audited in accordance with *Government Auditing Standards*. Accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with these entities and funds.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the State of Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the State of Missouri's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as finding numbers FS2022-001 through FS2022-009 that we consider to be significant deficiencies.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the State of Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **State of Missouri's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the State of Missouri's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The State of Missouri's responses were not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to Section 29.200, RSMo, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits

March 24, 2023



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# State of Missouri - Annual Comprehensive Financial Report

## Report on Internal Control, Compliance, and Other Matters

### Schedule of Findings and Responses

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#### **FS2022-001.**

#### **Department of Revenue Financial Reporting Controls**

The Department of Revenue (DOR) does not have adequate controls and procedures over financial reporting of certain governmental and custodial fund financial activities. As a result, some balances submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, were misstated.

To determine and submit financial activities of governmental and custodial funds to the DOA, the DOR - Administration Division first obtains reports generated from the DOR's various computerized systems. Information from these reports is then extracted into schedules, and various calculations are performed to determine the balances to be reported to the DOA. Our review of the governmental and custodial fund balances submitted to the DOA for inclusion in the ACFR identified the following concerns.

- Errors were identified in the calculations to estimate the allowance for uncollectible balances for withholding income tax and corporate income tax accounts receivable. In addition, the calculation of net accounts receivable for corporate income tax incorrectly used the estimated allowance for uncollectible balance calculated for withholding income tax.<sup>2</sup> If these errors had not been identified during the audit, Government Wide - Governmental Activities and General Fund net accounts receivable and related liability balances would have been overstated by approximately \$75 million in the ACFR. After we identified the calculation errors and discussed them with DOR personnel, the Administration Division submitted revised reports to the DOA and the DOA made the corrections prior to completing the ACFR.
- As similarly noted in our previous audit,<sup>3</sup> various errors were identified in the calculation to estimate the uncollectible percentage for sales and use tax accounts receivable. As a result, net accounts receivable and related liability balances were overstated by approximately \$71,000. Since these errors did not result in material misstatements to the affected opinion units, no revisions were submitted to the DOA.
- Calculation errors were identified in the reports used to determine gross delinquent accounts receivable balances for motor vehicle sales tax accounts receivable. In addition, the calculation to estimate the allowance

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<sup>2</sup>For withholding income tax and corporate income tax accounts receivable, our audit work was limited to reviewing these calculations. We were not allowed access to tax returns and related source documents for income taxes.

<sup>3</sup>See State of Missouri Annual Comprehensive Financial Report - Report on Internal Control, Compliance, and Other Matters, Year Ended June 30, 2021 at <<https://auditor.mo.gov/AuditReport/ViewReport?report=2022022>>, finding number FS2021-001.



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for uncollectible balances was not in accordance with the DOR's current methodology. These errors resulted in net accounts receivable and related liability balances for governmental funds being understated by approximately \$379,000, and asset and additions balances for custodial funds being understated by approximately \$3.2 million. Since these errors did not result in material misstatements to the affected opinion units, no revisions were submitted to the DOA.

- Several errors were identified in the calculation and allocation of custodial fund beginning balances and financial activities for the Motor Fuel Tax and Bonds Non-State Fund and the Sales and Use Tax Non-State Fund. If these errors had not been identified during the audit, certain Custodial Funds - Program balances would have been misstated in the ACFR as noted in the table below.

Account Type	Custodial Funds - Program Overstated/(Understated)
Assets	\$(56,779,000)
Additions	\$(49,851,000)
Deductions	\$ 24,945,000

After we identified the errors and discussed them with DOR personnel, the Administration Division submitted revised reports to the DOA and the DOA made the corrections prior to completing the ACFR.

- Additional errors were identified in the custodial fund schedules for the Motor Fuel Tax and Bonds Non-State Fund and the Sales and Use Tax Non-State Fund. In total, the asset and additions balances for these funds were overstated by approximately \$63 million in the custodial fund schedules. After we identified the errors and discussed them with DOR personnel, the Administration Division submitted revised reports to the DOA. Because the misstatements were not material to the affected opinion unit, the DOA made no corrections to the ACFR.

In response to our finding in the previous audit, DOR personnel indicated their corrective action included performing an evaluation of their current ACFR reporting process and establishing a new two-step review process for all financial reports submitted to the DOA and the State Auditor's Office. However, the DOR's newly implemented review process did not detect the errors noted above.

It is essential the DOR strengthen controls and procedures to prepare and submit accurate financial reports to the DOA. The *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, states management is responsible for the design, implementation, and operating effectiveness of the internal control system



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and the control activities should be designed to achieve objectives and respond to risks. Such controls would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements.

## Recommendation

The DOR strengthen controls and procedures to prepare and submit accurate financial reports to the DOA.

## Auditee's Response

*The DOR understands the auditor's finding. The DOR wants to reassure our customers that the finding does not have any effect or added cost to them. Our Corrective Action Plan includes our planned actions to address the finding.*

### **FS2022-002.**

#### **Department of Social Services Financial Reporting Controls - Medicaid Payments**

The Department of Social Services (DSS) - MO HealthNet Division (MHD) does not have adequate controls and procedures over financial reporting of Medicaid payment data. As a result, Medicaid payment data submitted to the Office of Administration - Division of Accounting (DOA) and used to estimate Medicaid accounts receivable and payable for inclusion in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, was misstated. If the misstatements had not been identified during the audit, Government Wide - Governmental Activities and General Fund accounts receivable would have been understated by approximately \$23 million and accounts payable would have been understated by approximately \$60 million in the ACFR.

To compile and submit Medicaid payment data to the DOA, MHD personnel extract payment information from the statewide accounting (SAM II) system, management reports from the Medicaid Management Information System (MMIS), and various payment documents. The DOA uses the payment data to estimate Medicaid accounts receivable and accounts payable amounts for inclusion in the ACFR.

For the year ended June 30, 2022, the MMIS management reports did not include payments beginning in October 2021, on behalf of the Medicaid Adult Expansion Group, a new population that became eligible with the Medicaid expansion effective as of July 1, 2021. As a result, MHD personnel did not include approximately \$538 million in the Medicaid payments report to the DOA. The error occurred because some MMIS management reports were not updated with the Medicaid expansion, and MHD and DSS - Division of Finance and Administrative Services (DFAS) supervisory reviews did not detect the missing payment information.

After we identified the issue and discussed it with department officials, DFAS personnel submitted a revised Medicaid payment report to the DOA. If the report had not been revised, accounts receivable would have been understated by approximately \$23 million and accounts payable would have been understated by approximately \$60 million.



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It is essential the DSS strengthen controls and procedures to prepare and submit accurate Medicaid payment reports to the DOA. The *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, states that management is responsible for the design, implementation, and operating effectiveness of the internal control system and that control activities should be designed to achieve objectives and respond to risks. Such controls would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements.

## Recommendation

The DSS through the MHD and the DFAS strengthen controls and procedures to prepare and submit accurate Medicaid payment reports to the DOA.

## Auditee's Response

*The DSS agrees with the State Auditor's Office's recommendation. The Corrective Action Plan includes the department's planned actions to address the finding. MO HealthNet and Research and Evaluation staff have worked together to update coding on the reports used in the creation of the Annual Comprehensive Financial Report to include the Medicaid Expansion group.*

### **FS2022-003. Department of Social Services Financial Reporting Controls - Medicaid Accounts Receivable**

The Department of Social Services (DSS) - MO HealthNet Division (MHD) does not have adequate controls and procedures over financial reporting of accounts receivable. As a result, Medicaid drug rebate accounts receivable data submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, Government Wide - Governmental Activities and General Fund net accounts receivable and related liability balances would have been overstated by approximately \$30.6 million in the ACFR.

The MHD reports various accounts receivable data, including data related to drug manufacturer rebates for Medicaid pharmacy claims, to the DOA. To compile drug rebate accounts receivable data, MHD personnel extract and enter financial information from Medicaid Management Information System (MMIS) accounts receivable summary reports into a spreadsheet. Because the MMIS report activity and balances are cumulative through the date the reports are generated, MHD personnel adjust the spreadsheet to reflect the MMIS report ending balance and activity for transactions after June 30.

Our review of the drug rebate accounts receivable spreadsheet for the year ended June 30, 2022, identified multiple errors. MHD personnel did not increase the MMIS report ending accounts receivable balance for \$13 million in collections made after June 30, 2022. In addition, MHD personnel made \$43 million of data entry errors. These errors resulted in the Medicaid drug rebate net accounts receivable and related liability balances being overstated by approximately \$30.6 million.



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While MHD and DSS - Division of Finance and Administrative Services (DFAS) personnel stated they reviewed the spreadsheet and accounts receivable report for accuracy and completeness prior to submission to the DOA, their reviews did not detect the errors. After we identified the spreadsheet errors and discussed them with department officials, DSS personnel corrected the spreadsheet and submitted a revised accounts receivable report to the DOA.

It is essential the DSS strengthen controls and procedures to prepare and submit accurate accounts receivable reports to the DOA. The *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, states that management is responsible for the design, implementation, and operating effectiveness of the internal control system and that control activities should be designed to achieve objectives and respond to risks. Such controls would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements.

## Recommendation

The DSS through the MHD and the DFAS strengthen controls and procedures to prepare and submit accurate Medicaid accounts receivable reports to the DOA.

## Auditee's Response

*The DSS agrees with the State Auditor's Office's recommendation. The Corrective Action Plan includes the department's planned actions to address the finding. MO HealthNet staff will examine the methodology used in the creation of the Medicaid accounts receivable report and will adjust accordingly. MO HealthNet and DFAS staff will continue to ensure reviews are completed.*

### **FS2022-004. Department of Social Services Financial Reporting Controls - Accounts Payable**

The Department of Social Services (DSS) - Division of Finance and Administrative Services (DFAS) does not have adequate controls and procedures over financial reporting of accounts payable. As a result, accounts payable data submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, Government Wide - Governmental Activities and General Fund accounts payable would have been overstated by approximately \$5.9 million in the ACFR.

To compile the accounts payable balances for the ACFR, the DOA provides the DFAS a statewide accounting (SAM II) system report of transactions coded as year-end accounts payable. DFAS personnel are to review the transactions and supporting documentation, and prepare and submit to the DOA a report of adjustments that need to be made to the report, plus





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additional accounts payable balances associated with non-SAM II transactions.

For the year ended June 30, 2022, the DFAS reviewed significantly fewer SAM II transactions for accounts payable reporting purposes than in previous years. As a result, the DFAS did not identify adjustments, totaling approximately \$1.3 million, needed to reduce amounts in the SAM II system report. Adjustments were needed for transactions incorrectly coded in the SAM II system and for transactions that should have been excluded from the DOA SAM II system report. DFAS personnel indicated procedural changes were made to save time and improve efficiencies.

Also, the DFAS did not accurately determine additional non-SAM II transactions that needed to be reported. As a result, the DFAS overstated additional non-SAM II accounts payable by approximately \$4.6 million. DFAS personnel indicated multiple new DFAS team members were involved in the reporting process this year and documented procedures did not include a necessary step in that process. Supervisory reviews did not detect the overstatement.

After our inquiries, DFAS personnel submitted to the DOA a revised additional accounts payable report. The revision resolved the SAM II system and non-SAM II transaction overstatements totaling approximately \$5.9 million.

It is essential the DFAS strengthen controls and procedures to prepare and submit accurate accounts payable reports to the DOA. The *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, states that management is responsible for the design, implementation, and operating effectiveness of the internal control system and that control activities should be designed to achieve objectives and respond to risks. Such controls would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements.

## Recommendation

The DSS through the DFAS strengthen controls and procedures to prepare and submit accurate accounts payable reports to the DOA.

## Auditee's Response

*The DSS agrees with the recommendation. In prior years, the ACFR Accounts Payable (AP) procedures in place took a significant amount of staff time to complete. Therefore, the DSS did change the procedures starting with the state fiscal year (SFY) 2022 reporting. The updated procedures were designed to align with those of other state departments with the overall goal to improve efficiencies within the Accounts Payable Unit. This change, in return, allowed for enhanced processes in other areas of the unit.*



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*Upon feedback from the State Auditor's Office, the DSS did further refine the procedures for the SFY 2022 reporting. With the refined procedures, the DSS did submit revised ACFR AP reports to the Division of Accounting.*

*Effective January 9, 2023, the DSS Accounts Payable staff started including the service dates and/or received dates on the Line Description field of the payment in preparation of the completion of the SFY 2023 ACFR. Effective February 2023, the DSS has updated the written ACFR AP procedures to document the changes made.*

**FS2022-005.**  
**Department of Natural**  
**Resources**  
**Financial Reporting**  
**Controls**

The Department of Natural Resources (DNR) does not have adequate controls and procedures over financial reporting of loans receivable. As a result, the loans receivable balance submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, was misstated. If the misstatement had not been identified during the audit, the Government Wide - Governmental Activities and Conservation and Environmental Protection Fund loans receivable balance would have been overstated by approximately \$27.5 million in the ACFR.

To compile and submit loans receivable data to the DOA, DNR accounting personnel obtain and compile loans receivable information from State Revolving Fund reports and the statewide accounting (SAM II) system. For the year ended June 30, 2022, DNR accounting personnel incorrectly included certain future loan principal repayments twice. As a result, the loans receivable balance reported to the DOA was overstated by approximately \$27.5 million. This error was not detected during the supervisory review of the loans receivable financial report provided to the DOA. The error was identified during our audit after DOA and State Auditor's Office personnel requested the DNR explain a large variance between the reported June 30, 2022, loans receivable balance and prior year's balance. DNR accounting personnel subsequently submitted a corrected loans receivable financial report to the DOA.

DNR officials stated the error occurred without detection due to human error and a significant increase in workload. DNR officials indicated they have taken steps to minimize the risk of future misstatements, including additional procedures to verify reporting accuracy and analyze identified variances prior to the submission of loans receivable financial reports to the DOA.

The *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, states that management is responsible for the design, implementation, and operating effectiveness of the internal control system and that control activities should be designed to achieve objectives and respond to risks. Such controls would allow



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management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements.

## Recommendation

The DNR ensure established and newly implemented controls and procedures over loans receivable financial reporting are operating as designed.

## Auditee's Response

*Department management agrees with the recommendation. In the future, we will ensure duplicate entries are not included in the information compiled from the State Revolving Fund System Reports and that the totals reconcile to the SAM II system prior to submission of the loans receivable ACFR survey to the DOA.*

### **FS2022-006.** **Office of Secretary of State** **Financial Reporting** **Controls**

The Office of Secretary of State (SOS) does not have adequate controls and procedures over financial reporting of accounts receivable. As a result, civil penalty accounts receivable data submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, was misstated. If the resulting misstatements had not been identified during the audit, Government Wide - Governmental Activities and Public Education Fund net accounts receivable and related liability balances would have been overstated by at least \$9.7 million in the ACFR.

The SOS has not established procedures to analyze and estimate civil penalty uncollectible amounts for financial reporting purposes. Each year, the SOS reports \$0 uncollectible, although the SOS historically collects only a small portion of the balance. For the year ended June 30, 2022, the SOS reported civil penalty gross accounts receivable of \$19.4 million, \$0 uncollectible, and net accounts receivable of \$19.4 million, although annual collections only averaged \$9,000 during the last 5 fiscal years. The table below shows civil penalty accounts receivable balances reported to the DOA as well as actual collections during the 5 fiscal years ended June 30, 2022.

Fiscal Year	Amounts Reported to the DOA:			Actual Collections
	Gross Accounts Receivable	Uncollectible Amount	Net Accounts Receivable	
2018	\$ 5,993,779	0	5,993,779	\$ 11,149
2019	7,012,992	0	7,012,992	13,588
2020	7,275,371	0	7,275,371	19,121
2021	13,604,734	0	13,604,734	637
2022	19,414,209	0	19,414,209	525
Total				\$ 45,020

Paragraph 21 of the Governmental Accounting Standards Board (GASB) Statement No. 33, requires recognition of receivables and revenues net of estimated uncollectible amounts. SOS personnel indicated they do not





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estimate and report uncollectible amounts to the DOA because they do not intend to write off any amounts due. However, this approach is not in accordance with accounting standards for financial reporting, does not consider the likelihood of collection, and overstates the value of accounts receivable and related liability balances in the ACFR. Furthermore, estimating uncollectible amounts for financial reporting purposes is independent of any actual write offs of amounts due.

Because uncollectible amounts were not estimated and reported, the net accounts receivable and related liability balances reported to the DOA were overstated for the year ended June 30, 2022. After we identified and discussed the issue with SOS and DOA personnel, DOA personnel estimated a civil penalties uncollectible amount of \$9.7 million (50 percent of gross accounts receivable), calculated corrected net accounts receivable and related liability balances of \$9.7 million, and corrected the Government Wide - Governmental Activities and Public Education Fund opinion units of the ACFR prior to its completion. Therefore, the net accounts receivable and related liability balances reported to the DOA by the SOS were overstated by at least \$9.7 million.

It is essential the SOS establish controls and procedures to prepare and submit accurate accounts receivable reports to the DOA. The *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, states that management is responsible for the design, implementation, and operating effectiveness of the internal control system and that control activities should be designed to achieve objectives and respond to risks. Such controls would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements.

## Recommendation

The SOS implement controls and procedures to prepare and submit accurate accounts receivable reports to the DOA.

## Auditee's Response

*The agency does not agree with the audit finding and corrective action is not required. Explanation and specific reasons are as follows:*

*The SOS reported to the DOA an accurate amount of fines and penalties owed and will not misrepresent what is owed to aggrieved Missourians. The State Auditor's Office notes the estimation of uncollectibles is for financial reporting purposes only. As the ACFR is a product of the DOA, the SOS does not control how the financial report is presented. The SOS disagrees with the selective reading of the GASB Statement No. 33. Each year the SOS is required to report the amount of civil penalties listed as receivables to the DOA for inclusion in the ACFR. These amounts are owed by violators of securities laws enforced by the SOS Securities Division. All receivables*



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*related to said violators are valid penalties until paid for by the bad actors who committed the violations.*

## Auditor's Comment

The language of Paragraph 21 of GASB Statement No. 33 clearly requires the SOS to recognize receivables net of estimated uncollectible amounts. Not doing so results in an accounts receivable balance that would overstate the net position of the Government Wide - Governmental Activities and Public Education Fund opinion units in the ACFR. Acknowledging that a portion of the receivables in question is unlikely to be collected and estimating an uncollectible amount does not reduce or eliminate the amounts owed; rather, such estimation is necessary to ensure the net position of the related opinion units is accurately stated in accordance with GASB guidance.

### **FS2022-007. Department of Labor and Industrial Relations Financial Reporting Controls**

The Department of Labor and Industrial Relations (DOLIR) does not have adequate controls and procedures over financial reporting of Unemployment Compensation Fund (UCF) financial activities. As a result, some balances submitted to the Office of Administration - Division of Accounting (DOA) for inclusion in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, were misstated. In addition, the financial reports were not submitted timely to the DOA.

DOLIR staff extract and use various information from the UInteract system to prepare UCF trial balances. The DOLIR is to submit the trial balances, along with other financial information, to the DOA by August 15 each year. Our review of the UCF trial balance and supporting documentation for the year ended June 30, 2022, noted the following errors and delays:

- The net position balance was overstated by approximately \$8 million. This misstatement occurred because the DOLIR incorrectly restated the June 30, 2021, (prior year) net position balance.

After our inquiries, DOLIR personnel submitted a revised UCF trial balance to the DOA, and the DOA made the necessary corrections prior to completing the ACFR. If the misstatement had not been identified during the audit, the Government Wide - Business-Type Activities and UCF ending net position balance would have been overstated by approximately \$8 million.

- The DOLIR incorrectly recorded accounts receivable totaling approximately \$2.5 million as accounts payable. This amount represents excess transfers of penalties from the UCF to the Special Employment Security Fund that needed to be refunded back to the UCF fund. This error caused accounts payable to be overstated and accounts receivable to be understated by approximately \$2.5 million, in the trial balance. Because the misstatements were not material to the affected opinion units, the DOA made no corrections to the ACFR.



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- The DOLIR submitted the UCF trial balance to the DOA significantly past the due date of August 15, 2022. The DOLIR submitted a preliminary trial balance on October 31, 2022, and revised final trial balances on November 9, 22, and 30, 2022. The delayed submission of the trial balance and other financial records negatively impacted the completion of both the ACFR and the ACFR audit.

DOLIR supervisory reviews did not detect the errors noted above. DOLIR personnel indicated the errors and delays occurred due to staff turnover and they are currently implementing additional monthly reviews to help identify and correct issues timely.

It is essential the DOLIR strengthen controls and procedures to prepare and submit accurate and timely UCF financial reports to the DOA. The *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, states that management is responsible for the design, implementation, and operating effectiveness of the internal control system and that control activities should be designed to achieve objectives and respond to risks. Such controls would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements.

## Recommendation

The DOLIR strengthen controls and procedures to prepare and submit accurate and timely UCF financial reports to the DOA.

## Auditee's Response

*The DOLIR agrees with the finding and has corrected the net position misstatement. The misstatement is related to increased volume of COVID-19 pandemic unemployment programs, when the department was processing an unprecedented amount of benefits and time did not allow for adequate review and corrections. The DOLIR is working with the Office of Administration Information Technology Services Division to generate financial data queries to compare UInteract monthly and yearly reports, which will allow the DOLIR to review and correct discrepancies sooner and will prevent future delays and allow for timely reporting.*

### **FS2022-008. Office of Administration Financial Reporting Controls - Fund Balance Classifications**

The Office of Administration - Division of Accounting (DOA) does not have adequate controls and procedures over classification of ending fund balances. If a fund balance classification error had not been corrected, the Government Wide - Governmental Activities and General Fund restricted fund balance would have been overstated, and the unassigned fund balance would have been understated, by approximately \$1.4 billion in the State of Missouri Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022.

The DOA classifies fund balances as nonspendable, restricted, committed, assigned, or unassigned. Restricted fund balances are amounts that are



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State of Missouri - Annual Comprehensive Financial Report  
Report on Internal Control, Compliance, and Other Matters  
Schedule of Findings and Responses

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restricted for a specific purpose due to constraints that are externally imposed by creditors, grantors, contributors, laws and regulations of other governments, or laws through constitutional provisions or enabling legislation. Unassigned fund balances are amounts that do not meet the criteria for nonspendable, restricted, committed, or assigned.

Each year, the DOA performs a fund analysis that determines the classification for various funds. The fund balance classifications are then updated in the statewide accounting (SAM II) system, if necessary. If the analysis is completed after the SAM II system has been closed for the fiscal year, the DOA must manually update the fund balance classifications in the ACFR working papers and trial balances so that the fund balance classifications are accurately stated in the ACFR.

For the year ended June 30, 2022, DOA personnel did not update a trial balance for the results of the fund balance classification analysis for 4 funds within the General Fund. Each of these funds was initially classified in the SAM II system as a restricted fund. In the analysis performed in September 2022, after the SAM II system was closed for fiscal year 2022, the funds were determined to be classified as unassigned funds. Because DOA personnel did not update the classifications in the trial balances, the fund balances for these 4 funds were incorrectly classified in the draft ACFR. This resulted in an overstatement of the restricted fund balance and an understatement of the unassigned fund balance by approximately \$1.4 billion, in the draft Government Wide - Governmental Activities and General Fund. This error was not identified in the DOA's initial supervisory review of the draft ACFR. After we brought the classification error to the DOA's attention, DOA personnel made corrections to the trial balances prior to completing the ACFR.

The State Auditor's Office (SAO) performs the annual ACFR audit concurrently with the DOA's completion of the ACFR. The ACFR is normally published no later than late January each year; however, the ACFR for the year ended June 30, 2022, was not published until March 24, 2023. We normally communicate significant errors to the DOA after DOA personnel have performed their final supervisory review of the ACFR. However, in an effort to prevent further delays and minimize inefficiencies, we informed the DOA of the fund balance classification error after DOA personnel had performed their initial, but not final, supervisory review. We brought the error to the DOA's attention on January 31, 2023, after DOA supervisory personnel had provided the draft General Fund trial balances to auditors (January 13, 2023) and uploaded the draft ACFR to the Electronic Municipal Market Access (EMMA®) service (January 24, 2023). DOA personnel's final supervisory review of the ACFR was completed on March 6, 2023.



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It is essential the DOA strengthen controls and procedures for classifying ending fund balances in the ACFR. The *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, states that management is responsible for the design, implementation, and operating effectiveness of the internal control system and that control activities should be designed to achieve objectives and respond to risks. Such controls would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements.

## Recommendation

The DOA strengthen controls and procedures to ensure proper classification of ending fund balances in the ACFR.

## Auditee's Response

*While the DOA agrees that there was an error in the draft document, the DOA disagrees with the SAO's finding that the DOA has inadequate internal controls because the DOA was not allowed to complete its internal audit process.*

## Auditor's Comment

DOA personnel provided auditors the draft ACFR and many supporting working papers significantly later than in previous years. As noted in the finding, we brought the error to the DOA's attention after their initial supervisory review had been performed and the DOA had uploaded the draft ACFR to the EMMA® service. At that time, we estimated the ACFR would be issued no sooner than early March 2023. Therefore, we communicated the error to the DOA at that time, rather than waiting several weeks and risking further delay of the ACFR issuance. Had the DOA completed and reviewed the items more timely, and caught and corrected this error, the SAO would not have issued a finding.

### **FS2022-009. Office of Administration SAM II Transaction Approvals**

As noted in our Statewide Accounting System Internal Controls audit,<sup>4</sup> Office of Administration (OA) management has not fully corrected a weakness in the Statewide Advantage for Missouri (SAM II) Financial system security settings that allows users to create a transaction and then apply approval to the same transaction without review or additional approval from another party.

Each user account in the SAM II Financial system is assigned certain rights and privileges from a list of available options, including the authority to create and approve transactions. The OA is also able to assign rules to transactions to specify approvals necessary based on dollar value and transaction type. If a user is allowed rights to both create and approve a transaction, and these rights satisfy the rules established for the transaction, the user would be able

<sup>4</sup> See Management Advisory Report finding number 1.2 in Report No. 2023-001, *Statewide Accounting System Internal Controls*, issued in February 2023.



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State of Missouri - Annual Comprehensive Financial Report  
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Schedule of Findings and Responses

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to create and approve the same transaction without review or additional approval from an independent party. While OA management has taken steps to limit this risk, we identified 2 SAM II Financial system user accounts had authority to enter and approve the same expenditure transaction as of April 2022.

OA management indicated the authority for both users to enter and approve transactions was unintended. Such authority began when the OA enabled (and ended when the OA later disabled) statewide system access for both users. Such access was intended to temporarily support the state's processing and oversight of Coronavirus Relief Fund transactions. However, while enabled, this access, combined with the users' pre-existing rights, provided the users the authority to enter and approve transactions. We confirmed that neither user had both entered and approved any transactions inappropriately during their respective 2 and 9 month period with such authority.

Allowing users to approve their own transactions without another approval increases the risk that inappropriate or unauthorized transactions may be processed.

## Recommendation

The OA continue to eliminate the risk of users approving transactions they create and establish policies to ensure future users are not granted this ability.

## Auditee's Response

*OA will continue providing oversight of user accounts.*





**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Atchison County, Missouri

The Office of the State Auditor contracted for an audit of Atchison County's financial statements for the 2 years ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by CR Williams & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive style with a large, stylized "S" and "F".

Scott Fitzpatrick  
State Auditor

May 2023  
Report No. 2023-021



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the contracted audit of Atchison County

2021-01

Every time the county receives new funds, they should set a formal budget even on interim period.



**THE COUNTY OF ATCHISON**  
**ROCK PORT, MISSOURI**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

PREPARED BY:  
CRWilliams & Associates LLC Certified Public Accountants  
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**THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
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**THE COUNTY OF ATCHISON**

**ROCK PORT, MISSOURI**

LIST OF ELECTED OFFICIALS 2020-2021

Presiding Commissioner	Curtis Livengood
Commissioner, Northern District	James Quimby
Commissioner, Southern District	Richard Burke
County Clerk	Susette M. Taylor
Treasurer	Debbie True
Collector of Revenue	Diane Livengood
Assessor	Lori Brown Jones
Recorder of Deeds	Eliza Beasing
Sheriff	Dennis D. Martin
Prosecuting Attorney	Brett Hurst
Clerk Circuit Court	Lorie Hall
Coroner	Shawn Minter Jr.
Public Administrator	Teresa Jayne Scott

## **FINANCIAL SECTION**

1257 Hornsby \* St. Louis, Missouri 63147

TEL: (219) 944-1615 \* FAX: (866) 834-4294 \* [www.crwilliams.net](http://www.crwilliams.net)

## INDEPENDENT AUDITOR'S REPORT

To the County Commission and Officeholders  
The County of Atchison, Missouri

### **Unmodified and Adverse Opinions**

We have audited the accompanying financial statements of the Atchison County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash and Investment Balances- All Governmental Funds – Regulatory Basis , Comparative Statements of Receipts, Disbursements, Changes in Cash and Investment Balances- Budget and Actual – All Governmental Funds- Regulatory Basis and the Statement of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2021, and 2020, and the related notes to the financial statements.

### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, Statement of Receipts, Disbursements and Changes in Cash and Investment Balances- All Governmental Funds – Regulatory Basis , Comparative Statements of Receipts, Disbursements, Changes in Cash and Investment Balances- Budget and Actual – All Governmental Funds- Regulatory Basis and the Statement of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2021, and 2020, in accordance with the financial reporting provisions of Missouri Law described in Note I.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2021, and 2020, or changes in net position and cash flows thereof for the years then ended.

### **Basis for Unmodified and Adverse Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinion.

### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note I of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note I and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting, a financial reporting framework prescribed or permitted by Missouri law. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Atchison County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Atchison County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Atchison County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2023, on our consideration of Atchison County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Atchison County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Atchison County, Missouri's internal control over financial reporting and compliance.

*CRWilliams & Associates LLC*  
St. Louis, Missouri  
March 29, 2023

## **FINANCIAL STATEMENTS**



THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEAR ENDED DECEMBER 31, 2021

<b>Fund</b>	<b>Cash and Investment Balances, 1/1/2021</b>	<b>Receipts 2021</b>	<b>Disbursements 2021</b>	<b>Cash and Investment Balances, 12/31/2021</b>
General Revenue Fund	\$ 1,339,630	\$ 2,226,199	\$ 2,073,455	\$ 1,492,374
Special Road and Bridge Fund	914,191	1,858,952	2,078,275	694,868
Assessment Fund	153,538	254,729	236,510	171,757
Law Enforcement Sales Tax Fund	132,207	866,646	827,787	171,066
Landfill Fund	14,519	20	1,338	13,201
Mitigation Fund	476,991	689	-	477,680
Multi-Purpose Election Fund	-	12,730	11,255	1,475
Law Enforcement Training Fund	1,090	2,366	836	2,620
Prosecuting Attorney Training Fund	5,101	2,086	-	7,187
CARES Covid 19 Fund	243,811	141	243,952	-
Emergency Management Fund	28,217	208,169	166,248	70,138
Chemical Emergency Preparedness Fund	11,055	16	180	10,891
Victims of Domestic Violence Fund	4,265	3,826	4,265	3,826
Collector's Tax Maintenance Fund	53,562	15,095	11,877	56,780
County Road Rock Fund	175,165	492,269	432,442	234,992
Economic Development Fund	-	338,189	338,189	-
Recorder's Fund	28,386	3,832	-	32,218
Senate Bill 40 Board Fund	38,191	172,954	170,000	41,145
Sheriff's Civil Fees Fund	18,666	8,958	6,024	21,600
Prosecuting Attorney Bad Check Fund	6,212	1,240	376	7,076
911 Fund	82,096	390,519	389,527	83,088
HAVA Election Grant Fund	137	-	137	-
Senior Citizens Service Board Fund	18,873	83,255	74,194	27,934
Sheriff's Revolving Fund	35,754	4,147	10,502	29,399
Health Reimbursement Fund	418,090	88,689	33,561	473,218
Resthome Improvement Fund	9	-	9	-
County Law Enforcement Restitution Fund	138,695	9,918	10,063	138,550
Election Services Fund	5,398	7,076	692	11,782
Inmate Security Fund	26,060	5,061	7,625	23,496
American Rescue Plan Act Fund	-	499,894	-	499,894
<b>TOTAL</b>	<b>\$ 4,369,909</b>	<b>\$ 7,557,665</b>	<b>\$ 7,129,319</b>	<b>\$ 4,798,255</b>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEAR ENDED DECEMBER 31, 2020

<b>Fund</b>	<b>Cash and Investment Balances, 1/1/2020</b>	<b>Receipts 2020</b>	<b>Disbursements 2020</b>	<b>Cash and Investment Balances, 12/31/2020</b>
General Revenue Fund	\$ 1,082,595	\$ 2,288,382	\$ 2,031,347	\$ 1,339,630
Special Road and Bridge Fund	968,491	2,067,650	2,121,950	914,191
Assessment Fund	124,282	225,624	196,368	153,538
Law Enforcement Sales Tax Fund	134,931	807,646	810,370	132,207
Landfill Fund	15,788	63	1,332	14,519
Mitigation Fund	474,974	2,047	30	476,991
Multi-Purpose Election Fund	185	11,883	12,068	-
Law Enforcement Training Fund	1,720	1,777	2,407	1,090
Prosecuting Attorney Training Fund	3,900	2,231	1,030	5,101
CARES Covid 19 Fund	-	603,814	360,003	243,811
Emergency Management Fund	46,951	151,722	170,456	28,217
Chemical Emergency Preparedness Fund	7,764	3,292	1	11,055
Victims of Domestic Violence Fund	4,275	4,265	4,275	4,265
Collector's Tax Maintenance Fund	85,937	15,257	47,632	53,562
County Road Rock Fund	60,298	537,026	422,159	175,165
Economic Development Fund	-	327,922	327,922	-
Recorder's Fund	25,162	3,226	2	28,386
Senate Bill 40 Board Fund	48,190	147,047	157,046	38,191
Sheriff's Civil Fees Fund	15,998	7,047	4,379	18,666
Prosecuting Attorney Bad Check Fund	7,947	522	2,257	6,212
911 Fund	57,801	383,510	359,215	82,096
HAVA Election Grant Fund	-	16,675	16,538	137
Senior Citizens Service Board Fund	25,665	70,447	77,239	18,873
Sheriff's Revolving Fund	43,066	4,518	11,830	35,754
Health Reimbursement Fund	350,453	91,726	24,089	418,090
Resthome Improvement Fund	129	-	120	9
County Law Enforcement Restitution Fund	133,667	12,691	7,663	138,695
Election Services Fund	7,612	1,333	3,547	5,398
Inmate Security Fund	25,245	5,025	4,210	26,060
<b>TOTAL</b>	<b>\$ 3,753,026</b>	<b>\$ 7,794,368</b>	<b>\$ 7,177,485</b>	<b>\$ 4,369,909</b>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

	GENERAL REVENUE FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property taxes	\$ 833,400	\$ 857,202	\$ 926,700	\$ 731,276
Sales taxes	545,000	834,773	780,000	1,012,552
Charges for services	315,450	331,845	316,375	286,833
Interest	6,585	3,980	22,105	6,371
Other	154,319	178,087	211,433	205,679
Transfers in	22,312	20,312	18,672	45,671
TOTAL RECEIPTS	1,877,066	2,226,199	2,275,285	2,288,382
DISBURSEMENTS				
County Commission	134,525	133,561	132,320	121,939
County Clerk	191,940	171,559	188,400	159,512
Elections	15,585	10,305	37,900	55,985
Building and grounds	807,020	326,007	808,400	346,985
Employee fringe benefits	375,700	326,379	355,000	319,502
County Treasurer	69,800	62,844	68,650	60,000
County Collector	134,010	121,517	131,880	111,208
Recorder Of Deeds	62,525	60,652	61,615	56,706
Circuit Clerk	31,161	19,881	31,032	17,798
Court Administration	14,500	7,993	11,300	21,290
Public Administrator	49,354	39,009	47,439	37,914
Prosecuting Attorney	165,125	138,379	124,840	122,457
Juvenile Officer	13,280	8,673	12,980	9,791
County Coroner	28,100	26,955	26,990	21,787
Health and Welfare	11,000	5,095	11,000	4,990
Transfers out	780,000	560,000	630,000	510,000
Emergency Fund	100,000	-	100,000	-
Other	126,164	54,646	102,550	53,483
TOTAL DISBURSEMENTS	3,109,789	2,073,455	2,882,296	2,031,347
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,232,723)	152,744	(607,011)	257,035
CASH AND INVESTMENT BALANCES, JANUARY 1	1,339,630	1,339,630	1,082,595	1,082,595
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 106,907	\$ 1,492,374	\$ 475,584	\$ 1,339,630

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

<b>SPECIAL ROAD AND BRIDGE FUND</b>				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property taxes	\$ 1,216,000	\$ 1,092,740	\$ 1,225,000	\$ 917,381
Intergovernmental revenues	1,036,120	710,163	891,690	980,141
Charges for services	83,700	29,629	79,740	143,161
Interest	6,050	2,246	14,075	5,584
Transfers in	24,175	24,174	21,383	21,383
TOTAL RECEIPTS	2,366,045	1,858,952	2,231,888	2,067,650
DISBURSEMENTS				
Salaries	600,000	497,226	600,000	465,429
Employee fringe benefits	308,766	226,047	273,950	203,007
Materials and supplies	523,100	264,524	570,600	346,140
Services and other	517,800	179,260	635,550	238,238
Capital outlay	849,000	631,461	700,000	672,385
Construction	178,050	256,757	207,030	173,751
Transfers out	1,000	23,000	1,000	23,000
TOTAL DISBURSEMENTS	2,977,716	2,078,275	2,988,130	2,121,950
RECEIPTS OVER (UNDER) DISBURSEMENTS	(611,671)	(219,323)	(756,242)	(54,300)
CASH AND INVESTMENT BALANCES, JANUARY 1	914,191	914,191	968,491	968,491
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 302,520	\$ 694,868	\$ 212,249	\$ 914,191

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

	ASSESSMENT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental revenues	\$ 180,100	\$ 214,396	\$ 222,100	\$ 181,577
Interest	800	290	2,000	786
Other	13,000	10,043	8,000	13,261
Transfers in	30,000	30,000	30,000	30,000
TOTAL RECEIPTS	223,900	254,729	262,100	225,624
DISBURSEMENTS				
Salaries	116,214	115,946	113,850	108,679
Employee fringe benefits	64,085	56,460	62,485	48,966
Materials and supplies	17,250	15,972	17,250	12,060
Services and other	65,980	28,723	66,080	6,314
Capital outlay	13,375	13,409	18,795	14,349
Transfers out	-	6,000	-	6,000
TOTAL DISBURSEMENTS	276,904	236,510	278,460	196,368
RECEIPTS OVER (UNDER) DISBURSEMENTS	(53,004)	18,219	(16,360)	29,256
CASH AND INVESTMENT BALANCES, JANUARY 1	153,538	153,538	124,282	124,282
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 100,534	\$ 171,757	\$ 107,922	\$ 153,538

The accompanying notes to the financial statements are an integral part of this statement.

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	<b>LAW ENFORCEMENT SALES TAX FUND</b>			
	<b>2021</b>		<b>2020</b>	
	<b>BUDGET</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ACTUAL</b>
RECEIPTS				
Sales taxes	\$ 295,000	\$ 327,347	\$ 295,000	\$ 347,101
Intergovernmental revenues	-	28,231	15,000	-
Charges for services	-	206	-	-
Interest	325	172	1,850	439
Other	13,310	10,690	26,100	10,106
Transfers in	750,000	500,000	600,000	450,000
TOTAL RECEIPTS	1,058,635	866,646	937,950	807,646
DISBURSEMENTS				
Salaries	552,770	520,514	550,600	467,569
Employee fringe benefits	234,150	174,612	212,652	153,960
Materials and supplies	5,450	2,201	5,450	2,961
Services and other	267,166	109,122	282,546	157,488
Capital outlay	10,000	1,338	10,315	8,392
Construction	-	-	-	-
Transfers out	-	20,000	100	20,000
TOTAL DISBURSEMENTS	1,069,536	827,787	1,061,663	810,370
RECEIPTS OVER (UNDER) DISBURSEMENTS	(10,901)	38,859	(123,713)	(2,724)
CASH AND INVESTMENT BALANCES, JANUARY 1	132,207	132,207	134,931	134,931
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 121,306	\$ 171,066	\$ 11,218	\$ 132,207

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	LANDFILL FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 75	\$ 20	\$ 250	\$ 63
TOTAL RECEIPTS	75	20	250	63
DISBURSEMENTS				
Services	14,575	338	14,900	332
Transfers out	-	1,000	-	1,000
TOTAL DISBURSEMENTS	14,575	1,338	14,900	1,332
RECEIPTS OVER (UNDER) DISBURSEMENTS	(14,500)	(1,318)	(14,650)	(1,269)
CASH AND INVESTMENT BALANCES, JANUARY 1	14,519	14,519	15,788	15,788
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 19	\$ 13,201	\$ 1,138	\$ 14,519

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	MITIGATION FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 2,500	\$ 689	\$ 7,500	\$ 2,047
Other	300,000	-	300,000	-
Transfers in	-	-	-	-
TOTAL RECEIPTS	302,500	689	307,500	2,047
DISBURSEMENTS				
Capital outlay	475,000	-	475,000	30
TOTAL DISBURSEMENTS	475,000	-	475,000	30
RECEIPTS OVER (UNDER) DISBURSEMENTS	(172,500)	689	(167,500)	2,017
CASH AND INVESTMENT BALANCES, JANUARY 1	476,991	476,991	474,974	474,974
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 304,491</u>	<u>\$ 477,680</u>	<u>\$ 307,474</u>	<u>\$ 476,991</u>

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	MULTI-PURPOSE ELECTION FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for services	\$ 15,500	\$ 12,730	\$ 20,150	\$ 11,883
TOTAL RECEIPTS	15,500	12,730	20,150	11,883
DISBURSEMENTS				
Salaries	3,500	3,497	3,500	3,448
Materials and supplies	1,500	152	2,000	105
Services and other	4,500	6,106	8,650	5,580
Capital outlay	6,000	1,500	6,000	1,985
Transfers out	-	-	-	950
TOTAL DISBURSEMENTS	15,500	11,255	20,150	12,068
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	1,475	-	(185)
CASH AND INVESTMENT BALANCES, JANUARY 1	-	-	185	185
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 1,475	\$ 185	\$ -

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	LAW ENFORCEMENT TRAINING FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for services	\$ 3,000	\$ 2,364	\$ 4,000	\$ 1,772
Interest	5	2	60	5
TOTAL RECEIPTS	3,005	2,366	4,060	1,777
DISBURSEMENTS				
Services and other	1,000	836	4,000	2,407
TOTAL DISBURSEMENTS	1,000	836	4,000	2,407
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,005	1,530	60	(630)
CASH AND INVESTMENT BALANCES, JANUARY 1	1,090	1,090	1,720	1,720
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 3,095</u>	<u>\$ 2,620</u>	<u>\$ 1,780</u>	<u>\$ 1,090</u>

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	PROSECUTING ATTORNEY TRAINING FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for services	\$ 2,000	\$ 2,077	\$ 1,000	\$ 2,213
Interest	20	9	45	18
TOTAL RECEIPTS	2,020	2,086	1,045	2,231
DISBURSEMENTS				
Services and other	4,850	-	3,850	1,030
TOTAL DISBURSEMENTS	4,850	-	3,850	1,030
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,830)	2,086	(2,805)	1,201
CASH AND INVESTMENT BALANCES, JANUARY 1	5,101	5,101	3,900	3,900
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 2,271</u>	<u>\$ 7,187</u>	<u>\$ 1,095</u>	<u>\$ 5,101</u>

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	CARES COVID 19 FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental revenues	\$ -	\$ -	\$ 603,377	\$ 603,377
Interest	500	141	500	437
TOTAL RECEIPTS	500	141	603,877	603,814
DISBURSEMENTS				
Services and other	244,085	243,952	606,877	360,003
TOTAL DISBURSEMENTS	244,085	243,952	603,877	360,003
RECEIPTS OVER (UNDER) DISBURSEMENTS	(243,585)	(243,811)	-	243,811
CASH AND INVESTMENT BALANCES, JANUARY 1	243,811	243,811	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 226</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 243,811</u>

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	EMERGENCY MANAGEMENT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental revenues	\$ 90,400	\$ 63,048	\$ 60,400	\$ 60,071
Charges for services	131,524	131,500	93,135	90,709
Interest	300	135	1,200	299
Other	5,000	13,486	30,100	643
TOTAL RECEIPTS	227,224	208,169	184,835	151,722
DISBURSEMENTS				
Salaries	65,816	66,635	64,970	66,026
Employee fringe benefits	21,555	27,011	22,841	19,512
Materials and supplies	4,000	2,406	4,100	1,877
Services and other	114,200	46,317	122,321	57,591
Transfers out	-	23,879	-	25,450
TOTAL DISBURSEMENTS	205,571	166,248	214,232	170,456
RECEIPTS OVER (UNDER) DISBURSEMENTS	21,653	41,921	(29,397)	(18,734)
CASH AND INVESTMENT BALANCES, JANUARY 1	28,217	28,217	46,951	46,951
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 49,870	\$ 70,138	\$ 17,554	\$ 28,217

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	CHEMICAL EMERGENCY PREPAREDNESS FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental revenues	\$ 3,500	\$ -	\$ 3,219	\$ 3,256
Interest	40	16	120	36
TOTAL RECEIPTS	<u>3,540</u>	<u>16</u>	<u>3,339</u>	<u>3,292</u>
DISBURSEMENTS				
Services and other	<u>11,054</u>	<u>180</u>	<u>7,755</u>	<u>1</u>
TOTAL DISBURSEMENTS	<u>11,054</u>	<u>180</u>	<u>7,755</u>	<u>1</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(7,514)	(164)	(4,416)	3,291
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>11,055</u>	<u>11,055</u>	<u>7,764</u>	<u>7,764</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 3,541</u>	<u>\$ 10,891</u>	<u>\$ 3,348</u>	<u>\$ 11,055</u>

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	VICTIMS OF DOMESTIC VIOLENCE FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 12	\$ 4	\$ 35	\$ 12
Charges for Services	3,550	3,822	3,350	4,253
TOTAL RECEIPTS	3,562	3,826	3,385	4,265
DISBURSEMENTS				
Services and other	4,265	4,265	4,276	4,275
TOTAL DISBURSEMENTS	4,265	4,265	4,276	4,275
RECEIPTS OVER (UNDER) DISBURSEMENTS	(703)	(439)	(891)	(10)
CASH AND INVESTMENT BALANCES, JANUARY 1	4,265	4,265	4,275	4,275
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 3,562	\$ 3,826	\$ 3,384	\$ 4,265

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COLLECTOR'S TAX MAINTENANCE FUND								
		2021		2020				
		BUDGET	ACTUAL	BUDGET	ACTUAL			
RECEIPTS								
Interest	\$	550	\$	82	\$	1,200	\$	328
Charges for Services		15,500		15,013		15,500		14,929
TOTAL RECEIPTS		16,050		15,095		16,700		15,257
DISBURSEMENTS								
Materials and supplies		4,000		-		4,000		-
Services and other		42,000		9,877		67,000		18,632
Transfers out		-		2,000		-		29,000
TOTAL DISBURSEMENTS		46,000		11,877		71,000		47,632
RECEIPTS OVER (UNDER) DISBURSEMENTS								
		(29,950)		3,218		(54,300)		(32,375)
CASH AND INVESTMENT BALANCES, JANUARY 1		53,562		53,562		85,937		85,937
CASH AND INVESTMENT BALANCES, DECEMBER 31		\$ 23,612		\$ 56,780		\$ 31,637		\$ 53,562

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	COUNTY ROAD ROCK FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property taxes	\$ 166,500	\$ 164,558	\$ 166,500	\$ 168,375
Sales taxes	297,000	327,347	296,500	347,101
Charges for services	10,000	-	10,000	1,414
Interest	850	364	2,350	778
Other	-	-	19,358	19,358
TOTAL RECEIPTS	474,350	492,269	494,708	537,026
DISBURSEMENTS				
Construction	563,200	432,442	532,358	422,159
TOTAL DISBURSEMENTS	563,200	432,442	532,358	422,159
RECEIPTS OVER (UNDER) DISBURSEMENTS	(88,850)	59,827	(37,650)	114,867
CASH AND INVESTMENT BALANCES, JANUARY 1	175,165	175,165	60,298	60,298
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 86,315</u>	<u>\$ 234,992</u>	<u>\$ 22,648</u>	<u>\$ 175,165</u>

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	ECONOMIC DEVELOPMENT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Sales taxes	\$ 175,000	\$ 163,673	\$ 175,000	\$ 173,550
Other	174,600	174,516	154,380	154,372
TOTAL RECEIPTS	349,600	338,189	329,380	327,922
DISBURSEMENTS				
Services and other	-	295,540	-	290,197
Transfers out	349,523	42,649	329,380	37,725
TOTAL DISBURSEMENTS	349,523	338,189	329,380	327,922
RECEIPTS OVER (UNDER) DISBURSEMENTS	77	-	-	-
CASH AND INVESTMENT BALANCES, JANUARY 1	-	-	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 77	\$ -	\$ -	\$ -

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	RECORDER'S FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for services	\$ 3,500	\$ 3,829	\$ 3,700	\$ 3,224
Interest	3	3	100	2
TOTAL RECEIPTS	3,503	3,832	3,800	3,226
DISBURSEMENTS				
Services and other	28,000	-	24,000	2
TOTAL DISBURSEMENTS	28,000	-	24,000	2
RECEIPTS OVER (UNDER) DISBURSEMENTS	(24,497)	3,832	(20,200)	3,224
CASH AND INVESTMENT BALANCES, JANUARY 1	28,386	28,386	25,162	25,162
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 3,889</u>	<u>\$ 32,218</u>	<u>\$ 4,962</u>	<u>\$ 28,386</u>

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	<b>SENATE BILL 40 BOARD FUND</b>			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property taxes	\$ 177,800	\$ 169,765	\$ 176,300	\$ 144,329
Interest	215	346	420	203
Transfers in	2,844	2,843	2,516	2,515
TOTAL RECEIPTS	180,859	172,954	179,236	147,047
DISBURSEMENTS				
Services and other	210,045	170,000	220,000	157,046
TOTAL DISBURSEMENTS	210,045	170,000	220,000	157,046
RECEIPTS OVER (UNDER) DISBURSEMENTS	(29,186)	2,954	(40,764)	(9,999)
CASH AND INVESTMENT BALANCES, JANUARY 1	38,191	38,191	48,190	48,190
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 9,005</u>	<u>\$ 41,145</u>	<u>\$ 7,426</u>	<u>\$ 38,191</u>

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<b>SHERIFF'S CIVIL FEES FUND</b>				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 65	\$ 26	\$ 230	\$ 69
Charges for Services	8,780	8,932	8,780	6,978
TOTAL RECEIPTS	8,845	8,958	9,010	7,047
DISBURSEMENTS				
Services and other	17,000	6,024	14,000	4,379
TOTAL DISBURSEMENTS	17,000	6,024	14,000	4,379
RECEIPTS OVER (UNDER) DISBURSEMENTS	(8,155)	2,934	(4,990)	2,668
CASH AND INVESTMENT BALANCES, JANUARY 1	18,666	18,666	15,998	15,998
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 10,511</u>	<u>\$ 21,600</u>	<u>\$ 11,008</u>	<u>\$ 18,666</u>

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PROSECUTING ATTORNEY BAD CHECK FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 35	\$ 10	\$ 120	\$ 32
Charges for Services	425	1,230	875	490
TOTAL RECEIPTS	460	1,240	995	522
DISBURSEMENTS				
Services and other	6,140	376	7,000	2,257
TOTAL DISBURSEMENTS	6,140	376	7,000	2,257
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,680)	864	(6,005)	(1,735)
CASH AND INVESTMENT BALANCES, JANUARY 1	6,212	6,212	7,947	7,947
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 532	\$ 7,076	\$ 1,942	\$ 6,212

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	911 FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Sales taxes	\$ 300,000	\$ 342,205	\$ 295,500	\$ 347,101
Interest	300	90	700.00	228.00
Other	60,310	26,345	63,860.00	14,731.00
Transfers in	41,859	21,879	21,430.00	21,450.00
TOTAL RECEIPTS	402,469	390,519	381,490	383,510
DISBURSEMENTS				
Salaries	221,200	204,776	191,200	195,079
Employee fringe benefits	90,750	81,672	84,680	77,048
Materials and supplies	200	233	200	107
Services and other	136,126	84,292	129,275	64,808
Capital outlay	30,000	8,554	18,000	12,173
Transfers out	-	10,000	-	10,000
TOTAL DISBURSEMENTS	478,276	389,527	423,355	359,215
RECEIPTS OVER (UNDER) DISBURSEMENTS	(75,807)	992	(41,865)	24,295
CASH AND INVESTMENT BALANCES, JANUARY 1	82,096	82,096	57,801	57,801
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 6,289	\$ 83,088	\$ 15,936	\$ 82,096

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 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS YEARS  
 ENDED DECEMBER 31, 2021 AND 2020

	HAVA ELECTION GRANT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental revenues	\$ -	\$ -	\$ 16,666	\$ 16,666
Interest	10	-	15	9
Other	-	-	-	-
TOTAL RECEIPTS	10	-	16,681	16,675
DISBURSEMENTS				
Services and other	140	137	16,681	16,538
TOTAL DISBURSEMENTS	140	137	16,681	16,538
RECEIPTS OVER (UNDER) DISBURSEMENTS	(130)	(137)	-	137
CASH AND INVESTMENT BALANCES, JANUARY 1	137	137	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137</u>

The accompanying notes to the financial statements are an integral part of this statement.



THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

	SENIOR CITIZENS SERVICE BOARD FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property taxes	\$ 86,125	\$ 81,646	\$ 85,600	\$ 69,032
Interest	175	189	550	159
Transfers in	1,421	1,420	1,256	1,256
TOTAL RECEIPTS	87,721	83,255	87,406	70,447
DISBURSEMENTS				
Services and other	97,645	74,094	97,400	77,139
Transfers out	-	100	-	100
TOTAL DISBURSEMENTS	97,645	74,194	97,400	77,239
RECEIPTS OVER (UNDER) DISBURSEMENTS	(9,924)	9,061	(9,994)	(6,792)
CASH AND INVESTMENT BALANCES, JANUARY 1	18,873	18,873	25,665	25,665
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 8,949	\$ 27,934	\$ 15,671	\$ 18,873

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

	SHERIFF'S REVOLVING FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for services	\$ 3,500	\$ 4,100	\$ 5,250	\$ 4,350
Interest	160	47	750	168
TOTAL RECEIPTS	3,660	4,147	6,000	4,518
DISBURSEMENTS				
Materials and supplies	10,500	2,932	10,500	1,318
Services and other	8,000	4,592	8,000	2,030
Capital outlay	18,000	2,978	25,000	8,482
TOTAL DISBURSEMENTS	36,500	10,502	43,500	11,830
RECEIPTS OVER (UNDER) DISBURSEMENTS	(32,840)	(6,355)	(37,500)	(7,312)
CASH AND INVESTMENT BALANCES, JANUARY 1	35,753	35,754	43,066	43,066
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 2,913	\$ 29,399	\$ 5,566	\$ 35,754

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT  
 BALANCES BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

	HEALTH REIMBURSEMENT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 2,000	\$ 689	\$ 5,000	\$ 1,726
Transfers in	98,000	88,000	90,000	90,000
TOTAL RECEIPTS	100,000	88,689	95,000	91,726
DISBURSEMENTS				
Services and other	198,000	33,561	90,000	24,089
TOTAL DISBURSEMENTS	198,000	33,561	90,000	24,089
RECEIPTS OVER (UNDER) DISBURSEMENTS	(98,000)	55,128	5,000	67,637
CASH AND INVESTMENT BALANCES, JANUARY 1	418,090	418,090	350,453	350,453
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 320,090</u>	<u>\$ 473,218</u>	<u>\$ 355,453</u>	<u>\$ 418,090</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT  
 BALANCES BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

		RESTHOME IMPROVEMENT FUND					
		2021		2020			
		BUDGET	ACTUAL	BUDGET	ACTUAL		
RECEIPTS							
Interest	\$	1	\$	5	\$	-	
TOTAL RECEIPTS		1	-	5	-		
DISBURSEMENTS							
Services and other		10	9	128	120		
TOTAL DISBURSEMENTS		10	9	128	120		
RECEIPTS OVER (UNDER) DISBURSEMENTS							
		(9)	(9)	(123)	(120)		
CASH AND INVESTMENT BALANCES, JANUARY 1		9	9	129	129		
CASH AND INVESTMENT BALANCES, DECEMBER 31		\$	-	\$	6	\$	9

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

	COUNTY LAW ENFORCEMENT RESTITUTION FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 650	\$ 202	\$ 2,000	\$ 590
Other	13,000	9,716	15,400	12,101
TOTAL RECEIPTS	13,650	9,918	17,400	12,691
DISBURSEMENTS				
Materials and supplies	-	-	10,000	-
Services and other	92,000	10,063	45,000	9
Capital outlay	45,000	-	76,000	7,654
TOTAL DISBURSEMENTS	137,000	10,063	131,000	7,663
RECEIPTS OVER (UNDER) DISBURSEMENTS	(123,350)	(145)	(113,600)	5,028
CASH AND INVESTMENT BALANCES, JANUARY 1	138,694	138,695	133,667	133,667
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 15,344	\$ 138,550	\$ 20,067	\$ 138,695

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

	ELECTION SERVICES FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 45	\$ 14	\$ 150	\$ 31
Intergovernmental revenues	525	7,062	500	352
Transfers in	3,100	-	2,500	950
TOTAL RECEIPTS	3,670	7,076	3,150	1,333
DISBURSEMENTS				
Materials and supplies	2,000	22	2,100	1,794
Services and other	4,500	670	5,500	1,753
TOTAL DISBURSEMENTS	6,500	692	7,600	3,547
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,830)	6,384	(4,450)	(2,214)
CASH AND INVESTMENT BALANCES, JANUARY 1	5,398	5,398	7,612	7,612
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 2,568	\$ 11,782	\$ 3,162	\$ 5,398

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT  
 BALANCES BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

	INMATE SECURITY FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for services	\$ 5,500	\$ 5,024	\$ -	\$ 4,913
Interest	110	37	400	112
Other	-	-	7,000	-
TOTAL RECEIPTS	5,610	5,061	7,400	5,025
DISBURSEMENTS				
Services and other	25,000	7,625	24,000	4,210
TOTAL DISBURSEMENTS	25,000	7,625	24,000	4,210
RECEIPTS OVER (UNDER) DISBURSEMENTS	(19,390)	(2,564)	(16,600)	815
CASH AND INVESTMENT BALANCES, JANUARY 1	26,060	26,060	25,245	25,245
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 6,670	\$ 23,496	\$ 8,645	\$ 26,060

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT  
 BALANCES BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2021 AND 2020

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	AMERICAN RESCUE PLAN ACT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental revenues	\$ -	\$ 499,484	\$ -	\$ -
Interest	-	410	-	-
TOTAL RECEIPTS	-	499,894	-	-
DISBURSEMENTS				
Services and other	-	-	-	-
TOTAL DISBURSEMENTS	-	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	499,894	-	-
CASH AND INVESTMENT BALANCES, JANUARY 1	-	-	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 499,894	\$ -	\$ -

The accompanying notes to the financial statements are an integral part of this statement.



ATCHISON COUNTY, MISSOURI  
STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
AGENCY FUNDS - REGULATORY BASIS  
AS OF DECEMBER 31, 2021

	AMBULANCE DISTRICT	LIBRARY	HEALTH CENTER	UNCLAIMED FEES	MEDICAL REIMBURSEMENT	DIV II INTEREST FUND
ASSETS						
Cash and Cash Equivalents	\$ 861	\$ 872	\$ 442	\$ 94	\$ 2,543	\$ 22
TOTAL ASSETS	861	872	442	94	2,543	22
LIABILITIES						
Liabilities	861	872	442	94	2,543	22
TOTAL LIABILITIES	\$ 861	\$ 872	\$ 442	\$ 94	\$ 2,543	\$ 22

	STATE SCHOOL	SURPLUS LAND SALES	CITIES	CENTER GROOVE CEMETERY	COLLECTOR'S FUND	TOTAL AGENCY FUNDS
ASSETS						
Cash and Cash Equivalents	\$ 11,284	\$ 3,241	\$ 4,942	\$ 2,000	\$ 9,641,912	\$ 9,668,213
TOTAL ASSETS	11,284	3,241	4,942	2,000	9,641,912	9,668,213
LIABILITIES						
Liabilities	11,284	3,241	4,942	2,000	9,641,912	9,668,213
TOTAL LIABILITIES	\$ 11,284	\$ 3,241	\$ 4,942	\$ 2,000	\$ 9,641,912	\$ 9,668,213

ATCHISON COUNTY, MISSOURI  
STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
AGENCY FUNDS - REGULATORY BASIS  
AS OF DECEMBER 31, 2020

	AMBULANCE DISTRICT	LIBRARY	HEALTH CENTER	UNCLAIMED FEES	MEDICAL REIMBURSEMENT	CIRCUIT CLERK INTEREST	DIV II INTEREST
ASSETS							
Cash and Cash Equivalents	\$ 5	\$ 5	\$ 2	\$ 111	\$ 1,174	\$ 1	\$ 22
TOTAL ASSETS	<u>5</u>	<u>5</u>	<u>2</u>	<u>111</u>	<u>1,174</u>	<u>1</u>	<u>22</u>
LIABILITIES							
Liabilities	5	5	2	111	1,174	1	22
TOTAL LIABILITIES	<u>5</u>	<u>5</u>	<u>2</u>	<u>111</u>	<u>1,174</u>	<u>1</u>	<u>22</u>

	STATE SCHOOL	SURPLUS LAND SALES	CITIES	CENTER GROOVE CEMETERY	ELMWOOD CEMETERY	SMITH CEMETERY	COLLECTOR'S FUND	TOTAL AGENCY FUNDS AGENCY FUNDS
ASSETS								
Cash and Cash Equivalents	\$ 84	\$ 4,155	\$ 13	\$ 2,000	\$ 7,000	\$ 2,000	\$ 7,664,370	\$ 7,680,942
TOTAL ASSETS	84	4,155	13	2,000	7,000	2,000	7,664,370	7,680,942
LIABILITIES								
Liabilities	84	4,155	13	2,000	7,000	2,000	7,664,370	7,680,942
TOTAL LIABILITIES	84	4,155	13	2,000	7,000	2,000	7,664,370	7,680,942

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Atchison, Missouri ("County") is governed by a three-member board of commissioners. In addition to the three board members, there are ten elected Constitutional Officers: Assessor, Circuit Clerk, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder, Sheriff, and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Atchison County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County's legal entity.

Certain elected County officials, particularly the Collector and Treasurer, collect and hold monies in a trustee capacity as an agent of individuals, taxing units, or other governments. These assets, which are held by these officeholders for the sole benefit of external parties, are included in the Statements of Assets and Liabilities Arising from Cash Transactions – Agency Funds – Regulatory Basis.

B. Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri law, which include a Statement of Receipts, Disbursements and Changes in Cash and Investment Balances – All Governmental Funds, a Comparative Statement of Receipts and Disbursements – Budget and Actual – All Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Agency Funds.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts. The following fund types are used by the County:

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (concluded)

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

Fiduciary Fund Types

*Agency* – Agency funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units. Agency funds are accounted for and reported similarly to the governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other officeholders.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

As a result of using this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation bonds and obligations under capital leases) and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budget and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50 RSMo, the County adopts a budget for each governmental fund.
2. On or before second Monday in January, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.
4. A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.
5. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
6. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget information in the financial statements.
7. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of formal budget is required by law. No budget on American Rescue Plan Act Fund as this Fund was newly created in 2021.
10. State law requires that budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. Section 50.740 RSMo prohibits expenditures in excess of the approved budgets.

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Property Taxes

Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in October and November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2021 and 2020, for purposes of taxation were:

	2021	2020
Real Estate	\$ 117,023,489	\$ 100,287,890
Personal Property	40,199,477	33,607,866
Railroad and Utilities	26,015,485	24,524,567
	<u>\$ 183,238,451</u>	<u>\$ 158,420,323</u>

For calendar years 2021 and 2020, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2021	2020
General Revenue	\$ 0.4928	\$ 0.4957
Special Road and Bridge	0.4928	0.4957
Senate Bill 40 Board	0.0986	0.0992
Senior Citizens Service Board	0.0492	0.0495
County Special Road	0.3500	0.3613

In addition to the levies above, the County assesses a \$0.50 levy to every agricultural acre in Atchison County to be used solely for rock. The property tax revenues of the Special Road & Bridge Fund consist of 58% of the collections from the Road & Bridge and Special Road & Bridge levies.

F. Cash and Investments

Deposit and cash equivalents are stated at cost, which approximates the market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or any instrumentality thereof, certain municipal bonds authorized by

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash and Investments (continued)

Missouri statute, or time certificates of deposit. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and cash equivalent and investment balances are presented in Note II.

G. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are eliminated due to reporting the financial statements on the regulatory basis of accounting.

Legally required transfers are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

II. CASH AND CASH INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed as "Cash and Investments" under each fund's caption. Deposits with maturities greater than three months are considered investments. In addition, cash and investments are separately held by several of the County's funds. Investments of the County consist of certificates of deposit with local banking institutions.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2021, and 2020, the carrying amount of the County's deposits and investments were \$ 4,798,255 and \$ 4,369,909, and the bank balance was \$ 4,827,216 and \$ 4,388,972, respectively. The total bank balances as of December 31, 2021, and 2020 were insured through the Federal Deposit Insurance Corporation and securities set by the County's financial institutions.

SUMMARY OF CARRYING VALUES

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2021, as follows:

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2021 AND 2020

II. CASH AND CASH INVESTMENTS (continued)

Statements of Receipts, Disbursements and Changes in Cash and Investment Balances	
Deposits and cash equivalents	\$ 4,798,255
Investments	-
Total Governmental Funds	\$ 4,798,255

Statement of Assets and Liabilities Arising from Cash Transactions – Agency Funds:	
Deposits	\$ 9,666,213
Investments	2,000
Total Agency Funds	9,668,213
Total Deposits and Investments as of December 31, 2021	\$ 14,466,468

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2020, as follows:

Statements of Receipts, Disbursements and Changes in Cash and Investment Balances	
Deposits and cash equivalents	\$ 4,369,909
Investments	-
Total Governmental Funds	\$ 4,369,909

Statement of Assets and Liabilities Arising from Cash Transactions – Agency Funds:	
Deposits	\$ 7,669,942
Investments	11,000
Total Agency Funds	7,680,942
Total Deposits and Investments as of December 31, 2020	\$ 12,050,851

Custodial Credit Risk – Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the years ended December 31, 2021, and 2020.



THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

II. CASH AND CASH INVESTMENTS (concluded)

Custodial Credit Risk – Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments. All investments, evidenced by individual securities, are registered in the name of the County or of a type not exposed to custodial credit risk.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities. The County's investments were not exposed to concentration of investment credit risk for the years ended December 31, 2021, and 2020.

III. COUNTY EMPLOYEES' RETIREMENT PLANS

A. Missouri Local Government Employees Retirement System (LAGERS)

1) Plan Description

Atchison County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

3) Funding Policy

Full-time employees of Atchison County do not contribute to the pension plan. The June 30th statutorily required contribution rates were 16% and 15.8% (General), and 8% and 7.7% (Police) of annual covered payroll for 2021 and 2020 respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the years ended December 31, 2021 and 2020, the County contributed \$279,032.45 and \$263,096.26 to LAGERS.

4) Funding Status

As of February 28, 2021, the accrued liabilities exceeded the actuarial value of assets of the plan by \$629,557 for the General division and the actuarial value of assets exceeded the accrued liabilities by \$154,977 for the Police division. As of February 29, 2020, the accrued liabilities exceeded the actuarial value of assets of the plan by \$868,685 for the General division and the actuarial value of assets exceeded the accrued liabilities by \$101,078 for the Police division. These net pension assets and liabilities are not recognized in the cash basis financial statements of the County.

B. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of eleven persons.

2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions.

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

The County has elected not to make contributions on behalf of employees. During 2021 and 2020, the County collected and remitted to CERF employee withholding and fees collected of \$124,834 and \$122,088, respectively, for the years then ended.

C. Prosecuting Attorney Retirement Fund

In accordance with state statute Section 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$3,366 and \$3,366, respectively, for the years ended December 31, 2021 and 2020.

IV. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County. No employee participated in COBRA as of the years ended December 31, 2021 and 2020.

V. CLAIMS, COMMITMENT AND CONTINGENCIES

A. Compensated Absences

The County provides full-time employees with up to 180 days of sick time, to accrue at one day per complete calendar month of employment. Upon termination, employees are compensated for up to 173 hours of accrued sick time. Vacation time is accrued for every full-time employee and accrues at the rate of 48 hours per year up to 216 hours per year depending on length of employment. However, employees may only carry over a maximum of two years' worth of vacation hours from one year to the next. Any days accrued in excess of two years will be forfeited as they are earned. Upon termination, employees are compensated for up to 173 hours of unused vacation time.

B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

C. Landfill

The County owns a solid waste disposal area and is obligated in the amount of \$262,658 to the Missouri Department of Natural Resources upon failure to close and/or provide post-closure care of the solid waste disposal area. At December 31, 2021, the County is not aware of any current obligation, however, any future obligations or liabilities related to the solid waste disposal area are unknown.

VI. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. Insurance is obtained from commercial insurance companies. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

VII. CAPITAL LEASES

On May 7, 2015, the County Commission entered into a \$196,650 capital lease with John Deere Financial for the lease purchase of a 2015 John Deere 672G Motor Grader at a nominal interest rate of 3.0%. The lease term is effective from May 13, 2015 to May 13, 2020, with five annual lease payments of \$42,995.

The following schedule shows changes in long-term debt outstanding during the year December 31, 2020:

DESCRIPTION	Balance 12/31/2019	Additions	Payments	Balance 12/31/2020	Interest Paid 2020
Motor Grader	\$ 42,461	\$ -	\$ 42,461	\$ -	\$ 534

THE COUNTY OF ATCHISON  
 ROCK PORT, MISSOURI  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2021 AND 2020

VIII. INTERFUND TRANSFERS

Transfers between funds for the years ended December 31, 2021, and 2020, are as follows:

	2021		2020	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General Revenue Fund	\$ 20,312	\$ 560,000	\$ 45,671	\$ 510,000
Special Road and Bridge Fund	24,174	23,000	21,383	23,000
Assessment Fund	30,000	6,000	30,000	6,000
Law Enforcement Sales Tax Fund	500,000	20,000	450,000	20,000
Landfill Fund	-	1,000	-	1,000
Multi-Purpose Election Fund	-	-	-	950
Emergency Management Fund	-	23,879	-	25,450
Collector's Tax Maintenance Fund	-	2,000	-	29,000
Economic Development Fund	-	42,649	-	37,725
Senate Bill 40 Board Fund	2,843	-	2,515	-
911 Fund	21,879	10,000	21,450	10,000
Senior Citizens Services Board Fund	1,420	100	1,256	100
Health Reimbursement Fund	88,000	-	90,000	-
Election Services Fund	-	-	950	-
TOTAL	<u>\$ 688,628</u>	<u>\$ 688,628</u>	<u>\$ 663,225</u>	<u>\$ 663,225</u>

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

IX. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 29, 2023, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

## **COMPLIANCE SECTION**

1257 Hornsby \* St. Louis, Missouri 63147

TEL: (219) 944-1615 \* FAX: (866) 834-4294 \* [www.crwilliams.net](http://www.crwilliams.net)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission and Officeholders  
Atchison County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Atchison County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash and Investment Balances - All Governmental Funds -Regulatory Basis and the Statements of Assets and Liabilities Arising From Cash Transactions – Agency Funds - Regulatory Basis as of December 31, 2021 and 2020, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash and Investment Balances - Budget and Actual – All Governmental Funds - Regulatory Basis as of and for the year ended December 31, 2021 and 2020 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 29, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Atchison County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Atchison County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Atchison County, Missouri's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that were not identified.



## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Atchison County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* as described in the accompanying schedule of findings and responses as item 2021-01.

## **Atchison County, Missouri's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Atchison County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Atchison County, Missouri's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
March 29, 2023

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES  
YEARS ENDED DECEMBER 31, 2021 AND 2020

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**FINANCIAL STATEMENT FINDINGS**

2021-01: NO FORMAL BUDGET SET FOR AMERICAN RESCUE PLAN ACT FUND

**Condition:** The County has no budget on American Rescue Plan Act Fund for 2021.

**Criteria:** In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund. Adoption of a formal budget is required by law.

**Cause:** This fund was newly created in 2021. Thus, formal budget was scheduled to be set in January 2022.

**Effect:** This condition is a violation of the budgetary policies. This violation will lead to overspending of funds.

**Recommendation:** We recommend that every time the County receives new funds, they should set a formal budget even on interim period.

**Management's Response:** Corrective action has been taken. We will implement a budget for new funding streams upon acceptance.

THE COUNTY OF ATCHISON  
ROCK PORT, MISSOURI  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

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**PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

There were no financial statement findings noted for the years ended December 31, 2017 and 2016.

## ***ATCHISON COUNTY COMMISSION***

**James Quimby**  
**North District Commissioner**

**Curtis Livengood**  
**Presiding Commissioner**

**Richard Burke**  
**South District Commissioner**

***Susette M. Taylor – Clerk of the Commission***

P.O. BOX 280  
400 S. Washington Street  
ROCK PORT, MO 64482  
Phone (660) 744-6214 Fax (660) 744-5499  
Email – [acclerk@atcomo.org](mailto:acclerk@atcomo.org)  
Commission meets on Tuesday and Thursday Mornings

Thursday, April 6, 2023

CRWilliams Associates LLC  
1257 Hornsby Avenue, Suite 2Fn  
St. Louis, MO 63147

Management's Response for Financial Statement Findings

2021-01: NO FORMAL BUDGET SET FOR SOME FUNDS

Condition: At the end of 2020, and the beginning of 2021 the County had no knowledge of ARPA Funding that would be allocated to the County.

Criteria: The Revenue did come into the county at the end of 2021, but no funds were expensed from the ARPA money during 2021.

Cause: A formal budget for ARPA was part of the budget that was set and adopted in 2022. It is outlined in the budget message as well.

Recommendation: Corrective action has been taken. We will implement a budget for new funding streams upon acceptance. Upon Budget Approval the county allows each department head and elected officials the ability to make purchases for their department. All purchases are approved by the commission and departments are not allowed to exceed their overall budget. Monitoring is in place to alert the Clerk's office if anyone is over budget, as well as reviewing financial expenditure reports on at least a monthly basis.

Susette M. Taylor  
Atchison County Clerk



# Scott Fitzpatrick

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## Missouri State Auditor

### Polk County Collector and Property Tax System

Report No. 2023-020

May 2023

[auditor.mo.gov](http://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Polk County Collector and Property Tax System

Background	The County Collector bills and collects property taxes for the county and most local governments. Debbi McGinnis served as County Collector until July 4, 2022. Rachel Boyce was appointed the Polk County Collector and sworn into office on July 5, 2022.
Additional Comments	The audit identified no significant deficiencies in internal controls and no significant noncompliance with legal provisions. No findings resulted from the audit.

In the areas audited, the overall performance of this entity was **Excellent**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

All reports are available on our Web site: [auditor.mo.gov](http://auditor.mo.gov)

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# Polk County Collector and Property Tax System

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## SCOTT FITZPATRICK MISSOURI STATE AUDITOR

County Commission  
and  
County Collector  
Polk County, Missouri

We have audited the County Collector and Property Tax System of Polk County. Section 52.150, RSMo, requires the State Auditor to audit the office of the County Collector after being notified of a vacancy in that office. On July 4, 2022, a vacancy occurred in the office of the County Collector of Polk County. A successor was appointed and sworn into office effective July 5, 2022. The scope of our audit included, but was not necessarily limited to, the period of March 1, 2022, to July 4, 2022, and the year ended February 28, 2022. The objectives of our audit were to:

1. Evaluate the county's internal controls over significant property tax functions.
2. Evaluate the county's compliance with certain legal provisions.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the county, as well as certain external parties; and testing selected transactions. We reviewed receipt and disbursement transactions, addition and abatement activity, commissions, and the annual settlement; and performed sample testing using haphazard and judgmental selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the County Collector and county management and was not subjected to the procedures applied in our audit of the County Collector and Property Tax System.



Section 52.150, RSMo, requires the County Commission to accept the State Auditor's report and, if necessary, to take certain specific actions if the State Auditor finds any funds owed to the county or the former County Collector. For the areas audited, we identified (1) no significant deficiencies in internal controls and (2) no significant noncompliance with legal provisions. No findings resulted from our audit of the County Collector and Property Tax System of Polk County.

A handwritten signature in black ink, reading "Scott Fitzpatrick". The signature is written in a cursive, flowing style with a large initial "S" and "F".

Scott Fitzpatrick  
State Auditor

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# Polk County Collector and Property Tax System

## Organization and Statistical Information

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The County Collector bills and collects property taxes for the county and most local governments. Pursuant to Section 52.015, RSMo, the term for which collectors are elected expires on the first Monday in March of the year in which they are required to make their last final settlement for the tax book collected by them. Annual settlements are to be filed with the county commission for the fiscal year ended February 28 (29).

Debbi McGinnis served as County Collector until July 4, 2022. Rachel Boyce was appointed the Polk County Collector and sworn into office on July 5, 2022.

The County Collector received compensation of \$20,172 for the period March 1, 2022, through July 4, 2022. During the year ended February 28, 2022, the County Collector received compensation of \$43,615. Compensation was in accordance with statutory provisions.



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
March 2023

Report No. 2023-019

May 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## March 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 98 political subdivisions required to file a financial report by March 31, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the reports submitted and, accordingly, do not express an opinion or any other assurance on them.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in March 2023, after their filing deadline. The filing status for these 17 entities is presented in summary on page 3 and by individual entity in Appendixes B to F.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## March 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

This report includes the filing status for the 98 political subdivisions, other than cities, towns, and villages, with a fiscal year end of September 30, 2022. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 98 political subdivisions, 88 filed an annual financial report timely.

This report also includes the filing status for 17 political subdivisions, other than cities, towns, and villages, that filed their financial report in March 2023, after their filing deadline.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due March 31, 2023

Fiscal Year Ended September 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Adair	Adair County Ambulance District	Yes	March 30, 2023
Andrew	PWSD 4 Andrew County	Yes	February 10, 2023
Boone	Business Loop CID	Yes	November 29, 2022
	Downtown CID	Yes	December 12, 2022
	North 763 CID	Yes	January 11, 2023
	Drainage District 7 Butler County	Yes	December 14, 2022
Butler	Millersburg FPD	No	
Camden	Camdenton SRD Camden County	Yes	October 6, 2022
Carroll	Cherry Valley Levee District	No	
Cass	211th Street CID	Yes	March 6, 2023
	Peculiar Main Street CID	Yes	March 28, 2023
	PWSD 2 Cass County	Yes	January 20, 2023
	West Peculiar FPD	Yes	March 27, 2023
Chariton	PWSD 3 Chariton-Linn County	Yes	February 24, 2023
Clay	1645 Kearney Road CID	Yes	March 23, 2023
	18th & Swift CID	No	
	Downtown Excelsior Springs CID	Yes	March 10, 2023
	Elms Hotel CID	Yes	March 23, 2023
	North K.C. Missouri Light Rail TDD	No	
	North K.C. Destination Developers CID	Yes	March 29, 2023
	PWSD 3 Clay County	Yes	February 27, 2023
	PWSD 9 Clay County	Yes	February 9, 2023
	Vintage Plaza CID	Yes	November 18, 2022
Clinton	PWSD 3 Clinton County	No	
Cole	Cole Junction Levee District	Yes	January 1, 2023
Daviess	PWSD 2 Daviess County	Yes	January 11, 2023
Franklin	Pacific FPD	Yes	November 21, 2022
	Phoenix Center II CID	Yes	March 31, 2023
	Sullivan FPD	Yes	December 14, 2022
	Sullivan Marketplace CID	Yes	November 18, 2022
	Washington Community FPD	Yes	December 15, 2022
	PWSD 2 Howell-Oregon County	Yes	January 16, 2023
Howell Jackson	Adams Dairy Landing CID	Yes	March 24, 2023
	Adams Farm TDD	Yes	March 24, 2023
	Central Jackson County FPD	Yes	February 14, 2023
	Downtown Blue Springs CID	Yes	March 24, 2023
	Fall Creek CID	Yes	March 24, 2023
	Fort Osage FPD	Yes	January 9, 2023
	Grandview Village CID	Yes	March 21, 2023
	Little Blue Valley Sewer District	Yes	January 31, 2023
	North Blue Springs CID	Yes	March 24, 2023
	Oaks at Woods Chapel CID	Yes	March 24, 2023
	Raytown FPD	Yes	March 24, 2023
	Sunrise Farms CID	Yes	October 3, 2022
	Sunset Plaza CID	Yes	March 24, 2023
	Truman's Marketplace CID	Yes	March 21, 2023
	Truman's Marketplace TDD	Yes	March 21, 2023

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due March 31, 2023

Fiscal Year Ended September 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jackson	White Oak CID	Yes	March 24, 2023
Jasper	Levee District 1 Jasper County	Yes	September 26, 2022
Jefferson	Antonia FPD	Yes	January 6, 2023
	Glaize Creek Sewer District	No	
	High Ridge FPD	Yes	November 16, 2022
	Rock Community FPD	Yes	November 16, 2022
	Truman Village CID	Yes	November 18, 2022
Lafayette	Sni Valley FPD	Yes	February 22, 2023
Madison	Madison Memorial Hospital District	Yes	February 8, 2023
	PWSD 1 Madison County	Yes	October 31, 2022
Miller	Miller County NHD	Yes	January 30, 2023
Moniteau	Mid Mo Ambulance District	Yes	January 4, 2023
Monroe	Clarence Cannon Water Commission	Yes	January 31, 2023
	Monroe City Ambulance District	Yes	November 17, 2022
	Monroe City Area FPD	No	
	PWSD 2 Monroe County	Yes	December 27, 2022
Newton	Big Spring Plaza CID	Yes	December 7, 2022
Nodaway	Mary Mart CID	Yes	March 24, 2023
	Maryville Public Library District	Yes	March 30, 2023
Pemiscot	Consolidated PWSD 1 Pemiscot County	Yes	February 8, 2023
Phelps	Forum Plaza CID	Yes	January 20, 2023
	Move Rolla TDD	Yes	March 31, 2023
Pike	PWSD 1 Pike County	Yes	January 25, 2023
Platte	Consolidated PWSD 1 Platte County	Yes	March 14, 2023
	Farley Beverly Drainage District	Yes	March 3, 2023
Ralls	Cannon PWSD 1 Ralls County	Yes	March 2, 2023
Ray	PWSD 3 Ray County	Yes	December 6, 2022
Ripley	Doniphan-Ripley County Public Library District	No	
	Ripley County Ambulance District	Yes	January 19, 2023
Schuyler	Schuyler County NHD	Yes	March 26, 2023
Scott	PWSD 4 Scott County	Yes	February 13, 2023
Shelby	PWSD 1 Shelby County	Yes	January 26, 2023
St. Charles	HIE Richmond Center CID	Yes	March 15, 2023
	Mountain Farm CID	Yes	January 19, 2023
	Shoppes of Mid Rivers CID	Yes	December 20, 2022
	St. Peters Hotel CID	Yes	January 25, 2023
	Suemandy Drive One CID	Yes	November 18, 2022
	Suemandy Drive Two CID	Yes	December 19, 2022
	Suemandy/Mid-Rivers CID	Yes	March 1, 2023
St. Francois	Bismarck FPD	Yes	March 23, 2023
	Farmington Land ABG CID	Yes	December 1, 2022
	GPMVLC CID	Yes	February 1, 2023
	Maple Valley Plaza CID	Yes	November 29, 2022
	Mineral Area CID	No	
St. Louis	25 North Central CID	Yes	March 30, 2023
	7730 Bonhomme CID	Yes	January 9, 2023
	Daniele CID	Yes	February 22, 2023



Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due March 31, 2023

Fiscal Year Ended September 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis	St. Louis County PID 1	Yes	March 21, 2023
St. Louis City	St. Louis Public Library Districts	Yes	March 20, 2023
Washington	PWSD 2 Washington County	Yes	October 11, 2022
Wayne	Clearwater Ambulance District	No	
Total Filed		88	
Total Not Filed		10	

Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
NHD	Nursing Home District
PID	Port Improvement District
PWSD	Public Water Supply District
SRD	Special Road District
TDD	Transportation Development District

## Appendix B

### Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2022

Filed in March 2023

Fiscal Year Ended December 31, 2021

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Atchison	Langdon SRD Atchison County	Yes	March 6, 2023
Buchanan	St. Joseph Airport Levee District	Yes	March 22, 2023
Linn	Consolidated PWSD 1 Linn County	Yes	March 9, 2023
Moniteau	PWSD 1 Moniteau County	Yes	March 15, 2023
Polk	Southwest SRD Polk County	Yes	March 20, 2023
Total Filed		5	

#### Acronyms:

PWSD      Public Water Supply District  
SRD      Special Road District

Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due October 31, 2022

Filed in March 2023

Fiscal Year Ended April 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jackson	Shops on Blue Parkway CID	Yes	March 10, 2023
Total Filed		1	

Acronyms:

CID                      Community Improvement District

## Appendix D

Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in March 2023

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jasper	Carthage SRD Jasper County	Yes	March 7, 2023
Johnson	Johnson County Community Health	Yes	March 31, 2023
Pemiscot	Consolidated Drainage District 1	Yes	March 13, 2023
Platte	Riverside Gateway Crossing CID	Yes	March 10, 2023
	Riverside Horizons CID	Yes	March 10, 2023
St. Louis	NP Kinloch CID	Yes	March 27, 2023
St. Louis City	Soda Fountain Square CID	Yes	March 27, 2023
Total Filed		7	

### Acronyms:

CID                      Community Improvement District  
SRD                      Special Road District

Appendix E

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due January 31, 2023

Filed in March 2023

Fiscal Year Ended July 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Osage	Linn City SRD Osage County	Yes	March 16, 2023
Ray	Henrietta SRD Ray County	Yes	March 1, 2023
Total Filed		2	

Acronyms:

SRD                      Special Road District

Appendix F

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due February 28, 2023

Filed in March 2023

Fiscal Year Ended August 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Adair	Adair County NHD	Yes	March 21, 2023
Knox	Knox County NHD	Yes	March 26, 2023
Total Filed		2	

Acronyms:

NHD                      Nursing Home District



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
March 2023

Report No. 2023-018

May 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## March 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by March 31, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 63 cities and 2 villages is presented in summary on page 4 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in March 2023, after their filing deadline. The filing status for these 23 cities and 10 villages is presented in summary on page 4 and by individual entity in Appendixes B to F.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive style with a large, stylized "S" and "F".

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

March 2023

## Executive Summary

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### Executive Summary

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires that the SAO notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and mandatory ballot measure to dissolve the political subdivision.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



Monthly Report on Municipal Court and Revenue Filings  
March 2023  
Executive Summary

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This report includes the filing status for the 63 cities and 2 villages with a fiscal year end of September 30, 2022, whose financial report was due by March 31, 2023. Of the 65 municipalities, 49 filed the financial report timely. Of the 62 municipalities required to file an addendum, 39 filed timely. Of the 37 municipalities required to file a certification, 22 filed timely.

This report includes the filing status for 23 cities and 10 villages that filed at least one of the items (financial report, addendum, or certification) in March 2023, after their filing deadline. Of these municipalities, 15 filed an annual financial report, 17 filed an addendum, and 10 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Andrew	City of Savannah	Yes	December 13, 2022	No	N/A
Audrain	City of Farber	Yes	February 24, 2023	No	N/A
	City of Mexico	Yes	January 31, 2023	Yes	Yes
Barry	City of Exeter	Yes	March 31, 2023	No	N/A
Boone	City of Columbia	Yes	March 15, 2023	Yes	Yes
Camden	City of Camdenton	Yes	October 6, 2022	No	N/A
Cass	City of Peculiar	Yes	March 21, 2023	Yes	No
Cedar	City of El Dorado Springs	Yes	March 31, 2023	Yes	Yes
	City of Stockton	Yes	March 28, 2023	Yes	N/A
Clay	City of Excelsior Springs	Yes	March 31, 2023	Yes	Yes
	City of North Kansas City	Yes	March 27, 2023	Yes	Yes
	Village of Oakwood	Yes	September 27, 2022	N/A	N/A
Clinton	City of Cameron	No		No	N/A
Dallas	City of Buffalo	Yes	March 31, 2023	No	N/A
Franklin	City of Sullivan	Yes	January 4, 2023	Yes	Yes
	City of Washington	Yes	March 29, 2023	Yes	N/A
Greene	City of Strafford	Yes	March 28, 2023	No	No
Henry	City of Clinton	Yes	March 30, 2023	No	No
	City of Montrose	Yes	November 29, 2022	Yes	N/A
	City of Urich	No		No	N/A
Jackson	City of Windsor	Yes	February 23, 2023	Yes	N/A
	City of Blue Springs	Yes	March 24, 2023	Yes	Yes
	City of Buckner	Yes	January 12, 2023	No	No
	City of Grandview	No		Yes	Yes
	City of Sugar Creek	No		No	No
Jasper	City of Duquesne	Yes	February 10, 2023	Yes	No
Jefferson	City of Festus	Yes	March 29, 2023	Yes	N/A
Johnson	City of Warrensburg	No		No	No
Lafayette	City of Concordia	Yes	February 14, 2023	Yes	Yes
	City of Higginsville	Yes	January 6, 2023	Yes	Yes
	City of Lake Lafayette	Yes	March 30, 2023	Yes	N/A
Linn	City of Brookfield	Yes	February 24, 2023	Yes	N/A
	City of Purdin	Yes	February 24, 2023	N/A	N/A
Macon	City of Atlanta	Yes	February 13, 2023	Yes	N/A
Madison	City of Fredericktown	No		Yes	No
McDonald	City of Anderson	No		No	No
Moniteau	City of Tipton	Yes	December 16, 2022	Yes	N/A
Monroe	City of Monroe City	No		Yes	N/A
Newton	City of Neosho	Yes	March 22, 2023	Yes	Yes
Nodaway	City of Maryville	Yes	March 27, 2023	Yes	N/A
Ozark	City of Gainesville	No		No	N/A
	Village of Theodosia	Yes	January 10, 2023	No	N/A
Phelps	City of Rolla	Yes	January 12, 2023	Yes	Yes
Pike	City of Bowling Green	Yes	March 20, 2023	Yes	N/A
Platte	City of Platte Woods	No		Yes	Yes
Pulaski	City of Dixon	Yes	March 13, 2023	Yes	No
Ray	City of Richmond	Yes	March 20, 2023	Yes	Yes
Saline	City of Marshall	Yes	March 8, 2023	Yes	Yes

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2023

Fiscal Year Ended September 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Shelby	City of Hunnewell	Yes	March 29, 2023	N/A	N/A
St. Charles	City of St. Peters	Yes	March 28, 2023	Yes	Yes
	City of Weldon Spring	No		Yes	Yes
St. Clair	City of Appleton City	No		No	N/A
	City of Osceola	Yes	March 31, 2023	No	N/A
St. Francois	City of Bonne Terre	No		No	No
	City of Farmington	Yes	March 29, 2023	No	No
St. Louis	City of Park Hills	No		Yes	Yes
	City of Clayton	Yes	March 24, 2023	Yes	Yes
	City of Cool Valley	No		No	Yes
	City of Greendale	Yes	February 14, 2023	Yes	Yes
	City of Normandy	Yes	March 31, 2023	No	Yes
Ste. Genevieve	City of Pagedale	No		No	No
	City of St. Mary	Yes	January 18, 2023	Yes	N/A
	City of Ste. Genevieve	Yes	February 2, 2023	Yes	N/A
Stoddard	City of Advance	Yes	February 6, 2023	No	No
Stone	City of Branson West	Yes	March 31, 2023	Yes	No
Total Filed		49		39	22
Total Not Filed		16		23	15
Total N/A		0		3	28

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2022  
Filed in March 2023

Fiscal Year Ended December 31, 2021

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Callaway	City of Fulton	**	June 29, 2022	Yes	N/A
	City of Holts Summit	**	June 23, 2022	Yes	N/A
Cass	City of Strasburg	Yes	March 27, 2023	Yes	N/A
Cooper	City of Otterville	**	February 18, 2022	Yes	N/A
Franklin	City of Gerald	***	August 9, 2022	Yes	N/A
Jackson	City of Lake Lotawana	***	August 4, 2022	Yes	N/A
Jasper	City of Duenweg	***	August 1, 2022	Yes	Yes
	City of Sarcoxie	***	July 28, 2022	Yes	N/A
Nodaway	City of Clearmont	**	June 20, 2022	Yes	N/A
Osage	Village of Argyle	Yes	March 13, 2023	N/A	N/A
Stone	City of Reeds Spring	**	June 29, 2022	**	Yes
Total Filed		2		9	2

\*\* Filed by June 30, 2022.

\*\*\* Filed after June 30, 2022, but before March 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due August 31, 2022  
Filed in March 2023

Fiscal Year Ended February 28, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	Village of Uplands Park	**	July 20, 2022	Yes	Yes
Total Filed		0		1	1

\*\* Filed by August 31, 2022.

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2022  
Filed in March 2023

Fiscal Year Ended March 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	Village of Hillsdale	***	February 16, 2023	***	Yes
Total Filed		0		0	1

\*\*\* Filed after September 30, 2022, but before March 2023.



Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in March 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Barry	City of Washburn	Yes	March 3, 2023	**	N/A
Butler	City of Fisk	Yes	March 31, 2023	Yes	N/A
Caldwell	City of Hamilton	Yes	March 23, 2023	No	N/A
Cape Girardeau	Village of Whitewater	No		Yes	N/A
Clinton	City of Plattsburg	Yes	March 2, 2023	No	No
Greene	City of Battlefield	**	October 19, 2022	Yes	Yes
Jasper	City of Carthage	**	December 27, 2022	Yes	Yes
Laclede	Village of Evergreen	Yes	March 28, 2023	N/A	N/A
Maries	City of Vienna	Yes	March 31, 2023	No	N/A
Mercer	City of Mercer	Yes	March 3, 2023	No	N/A
Putnam	Village of Lucerne	Yes	March 8, 2023	N/A	N/A
Ray	City of Lawson	**	December 30, 2022	Yes	Yes
Scotland	Village of Rutledge	Yes	March 20, 2023	N/A	N/A
Scott	City of Scott City	Yes	March 30, 2023	**	**
	Village of Diehlstadt	Yes	March 15, 2023	N/A	N/A
St. Louis	City of Country Club Hills	***	January 30, 2023	No	Yes
Warren	City of Warrenton	***	January 4, 2023	Yes	Yes
Webster	Village of Diggins	Yes	March 20, 2023	N/A	N/A
Total Filed		12		6	5

\*\* Filed by December 31, 2022.

\*\*\* Filed after December 31, 2022, but before March 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix F  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due February 28, 2023  
Filed in March 2023

Fiscal Year Ended August 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Scotland	City of Memphis	Yes	March 16, 2023	Yes	N/A
St. Louis	Village of Pasadena Park	No		No	Yes
Total Filed		1		1	1

N/A Entities without a municipal judge are not required to file a certification.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Washington County, Missouri

The Office of the State Auditor contracted for an audit of Washington County's financial statements for the 2 years ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by CR Williams & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

April 2023  
Report No. 2023-017



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the contracted audit of Washington County

2021-01

Every time the county receives new funds, they should set a formal budget even on interim period. We recommend further that the county needs to monitor its procurement process so that only budgeted items will be incurred and paid.

THE COUNTY OF WASHINGTON POTOSI, MISSOURI  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

PREPARED BY:  
CRWilliams & Associates LLC Certified Public Accountants  
1257 N. Hornsby  
St. Louis, MO 63147  
(219)-944-1615 (ofc)/(866)-834-4294 (fax)  
[www.crwilliams.net](http://www.crwilliams.net)

**THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
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**THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI**

**LIST OF ELECTED OFFICIALS 2020-2021**

Presiding Commissioner	David Sansegraw
County Clerk	Jeanette Allen
Treasurer	Phyllis Long
Collector of Revenue	Carla Zettler
Assessor	Heather Eckhoff
Recorder of Deeds	Jamie Miner
Sheriff	Zach Jacobsen
Prosecuting Attorney	Joshua Hedgecorth
Circuit Clerk	Ashley Gum
Coroner	Steve Hatfield
Public Administrator	Judy Gillam
Surveyor	Tim Daugherty

## **FINANCIAL SECTION**



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1257 Hornsby \* St. Louis, Missouri 63147

TEL: (219) 944-1615 \* FAX: (866) 834-4294 \* [www.crwilliams.net](http://www.crwilliams.net)

## INDEPENDENT AUDITOR'S REPORT

To the County Commission and Officeholders  
The County of Washington County, Missouri

### **Adverse and Unmodified Opinions**

We have audited the accompanying financial statements of the Washington County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash and Investment Balances- All Governmental Funds – Regulatory Basis , Comparative Statements of Receipts, Disbursements, Changes in Cash and Investment Balances- Budget and Actual – All Governmental Funds- Regulatory Basis and the Statement of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2021, and 2020, and the related notes to the financial statements.

### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, Statement of Receipts, Disbursements and Changes in Cash and Investment Balances- All Governmental Funds – Regulatory Basis , Comparative Statements of Receipts, Disbursements, Changes in Cash and Investment Balances- Budget and Actual – All Governmental Funds- Regulatory Basis and the Statement of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2021, and 2020, in accordance with financial reporting provisions of Missouri Law described in Note I.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2021, and 2020, or changes in net position and cash flows thereof for the years then ended.

### **Basis for Adverse and Unmodified Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Washington County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

## INDEPENDENT AUDITOR'S REPORT – continued

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinion.

### **Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note I of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note I and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting, a financial reporting framework prescribed or permitted by Missouri law. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Washington County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

## INDEPENDENT AUDITOR'S REPORT – continued

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Washington County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Washington County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

## INDEPENDENT AUDITOR’S REPORT – continued

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023, on our consideration of Washington County, Missouri’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Washington County, Missouri’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Washington County, Missouri’s internal control over financial reporting and compliance.

*CRWilliams & Associates LLC*

St. Louis, Missouri

March 27, 2023

## **FINANCIAL STATEMENTS**

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

<b>Fund</b>	<b>Cash and Investment Balances, 01/01/2021</b>	<b>Receipts 2021</b>	<b>Disbursements 2021</b>	<b>Cash and Investment Balances, 12/31/2021</b>
General Revenue Fund	\$ 18,080	\$ 3,612,483	\$ 3,612,394	\$ 18,169
Special Road and Bridge Fund	408,378	3,004,672	3,017,155	395,895
Assessment Fund	228,051	365,527	377,683	215,895
Sheriff L.E.F. Fund	122,553	1,966,166	1,858,416	230,303
Sheriff L.E.T. Fund	1,590	1,398	-	2,988
Prosecuting Attorney Delinquent Fund	18,338	2,939	-	21,277
Prosecuting Attorney Training Fund	8,116	1,285	677	8,724
Prosecuting Attorney Bad Check Fund	42,046	2,537	9,738	34,845
Sheriff's Civil Fund	54,295	26,823	40,422	40,696
Recorder User Fund	60,805	18,728	6,175	73,358
Airport Fund	11,222	51,594	33,189	29,627
Election Service Fund	1,786	3,761	-	5,547
Recorder Technology Fund	18,897	15,745	4,371	30,271
Revolving Loan Fund	734,983	2,654	31	737,606
Economic Development Fund	2,959,879	1,221,304	2,774,077	1,407,106
Building Fund	905,679	251,482	-	1,157,161
Sheriff Revolving Fund	30,528	22,918	6,285	47,161
Senior Citizen Services Fund	91,205	132,387	112,033	111,559
Senate Bill 40 Fund	1,129,918	1,568,186	1,180,323	1,517,781
Rental Property Fund	3,730	10,909	6,325	8,314
Emergency Fund	127,532	204	-	127,736
Sheriff's Inmate Security Fund	1,760	37,185	23,685	15,260
L.E.F. Restitution Fund	17,645	26,288	24,048	19,885
Help America Vote Act Fund	4,762	2,110	-	6,872
Tax Maintenance Fund	21,133	44,450	42,925	22,658
Cares Act Stimulus Fund	16,705	10	16,715	-
American Rescue Plan Act Fund	-	2,404,253	-	2,404,253
Towne Square Park Fund	-	123,639	90	123,549
<b>TOTAL</b>	<b>\$ 7,039,616</b>	<b>\$ 14,921,637</b>	<b>\$ 13,146,757</b>	<b>\$ 8,814,496</b>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

<b>Fund</b>	<b>Cash and Investment Balances, 01/01/2020</b>	<b>Receipts 2020</b>	<b>Disbursements 2020</b>	<b>Cash and Investment Balances, 12/31/2020</b>
General Revenue Fund	\$ 8,875	\$ 4,087,060	\$ 4,077,855	\$ 18,080
Special Road and Bridge Fund	625,669	3,085,916	3,303,207	408,378
Assessment Fund	158,102	383,089	313,140	228,051
Sheriff L.E.F. Fund	2,059	1,879,985	1,759,491	122,553
Sheriff L.E.T. Fund	259	1,331	-	1,590
Prosecuting Attorney Delinquent Fund	16,249	2,089	-	18,338
Prosecuting Attorney Training Fund	7,575	1,112	571	8,116
Prosecuting Attorney Bad Check Fund	48,210	3,715	9,879	42,046
Sheriff's Civil Fund	21,347	37,145	4,197	54,295
Recorder User Fund	49,551	13,478	2,224	60,805
Airport Fund	15,461	34,545	38,784	11,222
Election Service Fund	6,066	968	5,248	1,786
Recorder Technology Fund	14,051	10,539	5,693	18,897
Revolving Loan Fund	717,931	17,052	-	734,983
Economic Development Fund	2,553,743	1,135,417	729,281	2,959,879
Building Fund	633,134	387,578	115,033	905,679
Sheriff Revolving Fund	12,831	22,374	4,677	30,528
Senior Citizen Services Fund	78,504	129,737	117,036	91,205
Senate Bill 40 Fund	881,951	1,396,570	1,148,603	1,129,918
Rental Property Fund	38,845	71,835	106,950	3,730
Emergency Fund	127,015	517	-	127,532
Sheriff's Inmate Security Fund	2,203	41,702	42,145	1,760
L.E.F. Restitution Fund	28,918	22,571	33,844	17,645
Help America Vote Act Fund	2,793	33,430	31,461	4,762
Tax Maintenance Fund	21,220	45,381	45,468	21,133
Cares Act Stimulus Fund	-	2,902,450	2,885,745	16,705
<b>TOTAL</b>	<b>\$ 6,072,562</b>	<b>\$ 15,747,586</b>	<b>\$ 14,780,532</b>	<b>\$ 7,039,616</b>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

GENERAL REVENUE FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ 557,000	\$ 593,704	\$ 568,188	\$ 560,189
Sales Taxes	1,361,750	1,607,922	1,485,607	1,485,607
Intergovernmental Revenues	470,903	491,694	829,188	794,622
Charges for Services	301,400	317,618	329,838	322,192
Interest	1,400	639	2,500	1,447
Other	463,310	439,104	475,150	424,643
Transfers In	537,773	161,802	820,374	498,360
TOTAL RECEIPTS	3,693,536	3,612,483	4,510,845	4,087,060
DISBURSEMENTS				
County Commission	146,800	136,320	136,733	128,386
County Clerk	149,400	152,690	143,368	143,685
Elections	100,091	92,237	195,827	178,582
Buildings and Grounds	477,438	419,377	739,637	452,708
County Treasurer	71,028	73,186	70,470	68,695
County Collector	208,916	180,687	195,323	191,014
Recorder of Deeds	139,121	135,289	128,992	125,540
Circuit Clerk	112,512	92,944	97,044	89,841
Court Administration	24,352	12,154	24,055	16,187
Public Administrator	62,731	57,710	68,182	64,629
Sheriff	290,815	301,434	296,715	310,403
Prosecuting Attorney	405,761	384,376	387,478	373,263
Juvenile Officer	98,450	99,410	98,450	97,860
County Coroner	39,312	31,363	34,054	33,696
Health and Welfare	-	3,705	-	-
Transfers Out	350,631	617,314	374,584	790,287
Other	1,026,962	822,198	1,109,949	1,013,079
TOTAL DISBURSEMENTS	3,704,320	3,612,394	4,100,861	4,077,855
RECEIPTS OVER (UNDER) DISBURSEMENTS	(10,784)	89	409,984	9,205
CASH AND INVESTMENT BALANCES, JANUARY 1	18,080	18,080	8,875	8,875
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 7,296	\$ 18,169	\$ 418,859	\$ 18,080

The accompanying notes to the financial statements are an integral part of this statement.



THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	SPECIAL ROAD AND BRIDGE FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ 702,000	\$ 738,196	\$ 677,182	\$ 722,640
Sales Taxes	1,070,800	1,249,540	1,010,264	1,150,488
Intergovernmental Revenues	627,000	647,093	635,907	615,191
Interest	2,000	1,208	15,000	4,141
Other	496,834	368,635	564,344	593,456
TOTAL RECEIPTS	2,898,634	3,004,672	2,902,697	3,085,916
DISBURSEMENTS				
Salaries	815,003	717,454	844,075	769,019
Employee Fringe Benefits	264,136	273,056	261,500	231,905
Materials and Supplies	196,800	207,661	290,200	168,421
Insurance	37,657	38,136	40,500	41,399
Road and Bridge Materials	1,064,095	1,211,335	840,556	757,652
Equipment Repairs	115,000	101,348	180,000	94,538
Equipment Rentals	-	-	2,500	-
Equipment Purchases	250,000	120,992	418,215	195,667
Other	26,150	23,312	324,312	18,470
Construction	379,125	103,459	134,396	804,293
Debt Service	70,000	107,988	59,000	69,194
Transfers Out	89,046	112,414	132,256	152,649
TOTAL DISBURSEMENTS	3,307,012	3,017,155	3,527,510	3,303,207
RECEIPTS OVER (UNDER) DISBURSEMENTS	(408,378)	(12,483)	(624,813)	(217,291)
CASH AND INVESTMENT BALANCES, JANUARY 1	408,378	408,378	625,670	625,669
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 395,895	\$ 857	\$ 408,378

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	ASSESSMENT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental Revenues	\$ 238,000	\$ 277,038	\$ 235,000	\$ 264,823
Charges for Services	10,000	10,249	5,000	18,784
Interest	1,000	448	1,200	1,247
Other	67,000	77,792	60,000	74,282
Transfers In	-	-	23,953	23,953
TOTAL RECEIPTS	316,000	365,527	325,153	383,089
DISBURSEMENTS				
Salaries	271,600	206,854	256,170	201,477
Employee Fringe Benefits	65,317	45,402	45,719	39,657
Office Supplies	10,000	4,612	7,000	4,888
Equipment	30,000	14,029	6,000	968
Mileage/Training	10,300	3,898	13,000	4,059
Field Review	15,000	6,878	18,000	7,596
Mapping Contract	10,000	4,965	12,000	8,590
Computer Expense	30,000	13,191	50,253	27,270
Printing Cost	24,000	12,607	24,000	12,983
Postage Machine	1,700	1,323	700	619
Copy Machine Lease	2,000	-	2,000	-
Aerial Photography	67,000	62,826	26,000	1,500
Transfers Out	-	-	-	-
Services and Other	6,857	1,098	22,413	3,533
TOTAL DISBURSEMENTS	543,774	377,683	483,255	313,140
RECEIPTS OVER (UNDER) DISBURSEMENTS	(227,774)	(12,156)	(158,102)	69,949
CASH AND INVESTMENT BALANCES, JANUARY 1	228,051	228,051	158,102	158,102
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 277	\$ 215,895	\$ -	\$ 228,051

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

SHERIFF L.E.F. FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Sales Taxes	\$ 951,000	\$ 1,109,049	\$ 905,000	\$ 1,029,228
Intergovernmental Revenues	462,235	424,598	326,255	338,068
Charges for Services	2,000	2,764	2,700	1,879
Interest	-	119	600	68
Other	81,900	68,622	163,010	85,652
Transfers In	350,631	361,014	471,387	425,090
TOTAL RECEIPTS	1,847,766	1,966,166	1,868,952	1,879,985
DISBURSEMENTS				
Salaries	1,084,683	1,008,764	1,048,416	1,051,418
Employee Fringe Benefits	399,997	351,422	320,574	309,874
Uniform Allowance	16,000	14,596	14,500	15,675
Supplies	35,549	25,914	36,824	21,943
Equipment	15,000	17,527	12,000	11,770
Fuel and Maintenance	159,000	194,317	165,000	152,155
Insurance	94,090	94,090	51,795	51,795
Prisoner Expenses	140,000	133,094	140,000	126,387
Grants	22,000	13,040	78,902	15,691
Dues and Conferences	3,000	5,121	3,000	2,727
Other	1,000	531	-	56
TOTAL DISBURSEMENTS	1,970,319	1,858,416	1,871,011	1,759,491
RECEIPTS OVER (UNDER) DISBURSEMENTS	(122,553)	107,750	(2,059)	120,494
CASH AND INVESTMENT BALANCES, JANUARY 1	122,553	122,553	2,059	2,059
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 230,303	\$ -	\$ 122,553

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

<b>SHERIFF L.E.T. FUND</b>				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 1,350	\$ 1,394	\$ 1,700	\$ 1,329
Interest	-	4	20	2
TOTAL RECEIPTS	1,350	1,398	1,720	1,331
DISBURSEMENTS				
Training	2,940	-	1,500	-
TOTAL DISBURSEMENTS	2,940	-	1,500	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,590)	1,398	220	1,331
CASH AND INVESTMENT BALANCES, JANUARY 1	1,590	1,590	259	259
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 2,988	\$ 479	\$ 1,590

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	PROSECUTING ATTORNEY DELINQUENT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental Revenues	\$ 1,500	\$ 2,906	\$ 1,000	\$ 2,021
Interest	300	33	300	68
TOTAL RECEIPTS	1,800	2,939	1,300	2,089
DISBURSEMENTS				
Mileage and Meals	1,200	-	1,200	-
TOTAL DISBURSEMENTS	1,200	-	1,200	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	600	2,939	100	2,089
CASH AND INVESTMENT BALANCES, JANUARY 1	18,338	18,338	16,249	16,249
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 18,938	\$ 21,277	\$ 16,349	\$ 18,338

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	PROSECUTING ATTORNEY TRAINING FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 1,271	1,271	500	1,080
Interest	100	\$ 14	\$ 100	\$ 32
TOTAL RECEIPTS	1,371	1,285	600	1,112
DISBURSEMENTS				
Prosecuting Attorney	771	677	571	571
TOTAL DISBURSEMENTS	771	677	571	571
RECEIPTS OVER (UNDER) DISBURSEMENTS	600	608	29	541
CASH AND INVESTMENT BALANCES, JANUARY 1	8,116	8,116	7,575	7,575
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 8,716	\$ 8,724	\$ 7,604	\$ 8,116

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

<b>PROSECUTING ATTORNEY BAD CHECK FUND</b>				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 3,300	\$ 2,475	\$ 2,800	\$ 3,525
Interest	800	62	800	190
TOTAL RECEIPTS	4,100	2,537	3,600	3,715
DISBURSEMENTS				
Salaries	19,000	9,474	19,000	9,474
Office Supplies	500	-	500	-
Bad Check Collection	-	239	-	-
Other	300	25	300	405
TOTAL DISBURSEMENTS	19,800	9,738	19,800	9,879
RECEIPTS OVER (UNDER) DISBURSEMENTS	(15,700)	(7,201)	(16,200)	(6,164)
CASH AND INVESTMENT BALANCES, JANUARY 1	42,046	42,046	48,210	48,210
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 26,346	\$ 34,845	\$ 32,010	\$ 42,046

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

<b>SHERIFF'S CIVIL FUND</b>				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 40,000	\$ 26,741	\$ 40,000	\$ 37,006
Interest	140	82	300	139
TOTAL RECEIPTS	40,140	26,823	40,300	37,145
DISBURSEMENTS				
Training	30,000	5,285	-	-
Other	64,435	24,137	60,000	197
Transfers Out	-	11,000	-	4,000
TOTAL DISBURSEMENTS	94,435	40,422	60,000	4,197
RECEIPTS OVER (UNDER) DISBURSEMENTS	(54,295)	(13,599)	(19,700)	32,948
CASH AND INVESTMENT BALANCES, JANUARY 1	54,295	54,295	21,347	21,347
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 40,696	\$ 1,647	\$ 54,295

The accompanying notes to the financial statements are an integral part of this statement.



THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	RECORDER USER FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 9,500	\$ 18,624	\$ 9,000	\$ 13,268
Interest	-	104	-	210
TOTAL RECEIPTS	9,500	18,728	9,000	13,478
DISBURSEMENTS				-
Records Preservation	45,000	4,527	40,000	913
Office Expense	5,000	1,648	5,000	1,311
Computer Maintenance	5,000	-	5,000	-
TOTAL DISBURSEMENTS	55,000	6,175	50,000	2,224
RECEIPTS OVER (UNDER) DISBURSEMENTS	(45,500)	12,553	(41,000)	11,254
CASH AND INVESTMENT BALANCES, JANUARY 1	60,805	60,805	49,551	49,551
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 15,305	\$ 73,358	\$ 8,551	\$ 60,805

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	AIRPORT FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 40,000	\$ 51,594	\$ 40,000	\$ 34,545
TOTAL RECEIPTS	40,000	51,594	40,000	34,545
DISBURSEMENTS				
Credit Card Fees	2,000	1,101	1,700	2,142
Transfers Out	40,000	32,088	40,000	36,642
TOTAL DISBURSEMENTS	42,000	33,189	41,700	38,784
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,000)	18,405	(1,700)	(4,239)
CASH AND INVESTMENT BALANCES, JANUARY 1	11,222	11,222	15,461	15,461
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 9,222	\$ 29,627	\$ 13,761	\$ 11,222

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THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
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	ELECTION SERVICE FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental Revenues	\$ 900	\$ 3,756	\$ 4,000	\$ 960
Interest	-	5	-	8
TOTAL RECEIPTS	900	3,761	4,000	968
DISBURSEMENTS				
Polling Place Expense	-	-	10,000	5,248
Other	2,000	-	-	-
TOTAL DISBURSEMENTS	2,000	-	10,000	5,248
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,100)	3,761	(6,000)	(4,280)
CASH AND INVESTMENT BALANCES, JANUARY 1	1,786	1,786	6,066	6,066
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 686	\$ 5,547	\$ 66	\$ 1,786

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THE COUNTY OF WASHINGTON  
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BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

RECORDER TECHNOLOGY FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ 169
Charges for Services	7,000	15,706	6,500	10,311
Interest	-	39	-	59
Other	-	-	169	-
TOTAL RECEIPTS	7,000	15,745	6,669	10,539
DISBURSEMENTS				
Records Preservation	10,300	-	1,000	-
Office Expense	500	-	500	-
Equipment	2,000	-	6,869	-
Equipment Maintenance	200	80	3,800	5,693
Other	5,000	4,291	1,000	-
TOTAL DISBURSEMENTS	18,000	4,371	13,169	5,693
RECEIPTS OVER (UNDER) DISBURSEMENTS	(11,000)	11,374	(6,500)	4,846
CASH AND INVESTMENT BALANCES, JANUARY 1	18,897	18,897	14,051	14,051
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 7,897	\$ 30,271	\$ 7,551	\$ 18,897

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THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
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BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
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	REVOLVING LOAN FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 5,300	\$ 2,654	\$ 1,200	\$ 5,345
Other	11,707	-	11,707	11,707
TOTAL RECEIPTS	17,007	2,654	12,907	17,052
DISBURSEMENTS				
Annual Registration	31	31	-	-
TOTAL DISBURSEMENTS	31	31	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	16,976	2,623	12,907	17,052
CASH AND INVESTMENT BALANCES, JANUARY 1	734,983	734,983	717,931	717,931
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 751,959	\$ 737,606	\$ 730,838	\$ 734,983

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THE COUNTY OF WASHINGTON  
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BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

ECONOMIC DEVELOPMENT FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Sales Taxes	\$ 905,000	\$ 1,109,050	\$ 905,000	\$ 1,029,228
Interest	10,000	4,254	45,000	10,189
Other	182,047	108,000	157,162	96,000
TOTAL RECEIPTS	1,097,047	1,221,304	1,107,162	1,135,417
DISBURSEMENTS				
Salaries	133,538	133,041	130,228	129,681
Operational Expenses	52,000	70,632	52,200	35,725
Property/Liability Insurance	41,561	41,840	37,000	37,201
Workers Compensation Insurance	3,318	3,318	-	2,124
Water Treatment Plant	50,000	-	15,000	31,787
Airport	25,000	24,623	25,000	15,927
Capital Improvements	830,500	512,759	1,035,500	470,802
Research/Planning	401,009	-	1,550,000	-
Professional Fees	20,000	22,491	20,000	6,034
Midwest Embroidery Building	1,500,000	-	-	-
Real Estate Purchase	200,000	1,112,923	100,000	-
Wash Co. Treatment Plan	-	52,450	-	-
Grants	800,000	800,000	-	-
TOTAL DISBURSEMENTS	4,056,926	2,774,077	2,964,928	729,281
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,959,879)	(1,552,773)	(1,857,766)	406,136
CASH AND INVESTMENT BALANCES, JANUARY 1	2,959,879	2,959,879	2,553,743	2,553,743
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 1,407,106	\$ 695,977	\$ 2,959,879

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THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
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BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	BUILDING FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 2,000	\$ 1,482	\$ 10,000	\$ 2,578
Transfers In	-	250,000	-	385,000
TOTAL RECEIPTS	2,000	251,482	10,000	387,578
DISBURSEMENTS				
Transfers Out	289,000	-	95,000	60,000
Real Estate Purchase	-	-	55,033	55,033
TOTAL DISBURSEMENTS	289,000	-	150,033	115,033
RECEIPTS OVER (UNDER) DISBURSEMENTS	(287,000)	251,482	(140,033)	272,545
CASH AND INVESTMENT BALANCES, JANUARY 1	905,679	905,679	633,134	633,134
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 618,679	\$ 1,157,161	\$ 493,101	\$ 905,679

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THE COUNTY OF WASHINGTON  
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SHERIFF REVOLVING FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 22,000	\$ 22,850	\$ 14,000	\$ 22,310
Interest	60	68	150	64
TOTAL RECEIPTS	22,060	22,918	14,150	22,374
DISBURSEMENTS				
Supplies	8,500	-	-	365
Transfers Out	-	-	21,000	-
Other	43,500	6,285	2,160	4,312
TOTAL DISBURSEMENTS	52,000	6,285	23,160	4,677
RECEIPTS OVER (UNDER) DISBURSEMENTS	(29,940)	16,633	(9,010)	17,697
CASH AND INVESTMENT BALANCES, JANUARY 1	30,528	30,528	12,831	12,831
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 588	\$ 47,161	\$ 3,821	\$ 30,528



THE COUNTY OF WASHINGTON  
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BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

SENIOR CITIZEN SERVICES FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ 94,000	\$ 131,691	\$ 86,000	\$ 129,042
Intergovernmental Revenues	100	440	100	2
Interest	3,000	256	3,000	693
Other	37,000	-	35,000	-
TOTAL RECEIPTS	134,100	132,387	124,100	129,737
DISBURSEMENTS				
Wash Co. Council on Aging	66,000	58,000	65,000	61,000
SMTS	56,000	50,000	55,000	53,000
Newspaper Ad	100	33	100	36
Training	350	-	350	-
Other	3,100	4,000	3,100	3,000
TOTAL DISBURSEMENTS	125,550	112,033	123,550	117,036
RECEIPTS OVER (UNDER) DISBURSEMENTS	8,550	20,354	550	12,701
CASH AND INVESTMENT BALANCES, JANUARY 1	91,205	91,205	78,504	78,504
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 99,755	\$ 111,559	\$ 79,054	\$ 91,205

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THE COUNTY OF WASHINGTON  
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BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
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SENATE BILL 40 FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ 512,376	\$ 537,923	\$ 496,177	\$ 525,869
Intergovernmental Revenues	4,000	8,849	6,955	5,238
Charges for Services	740,715	992,740	521,675	820,573
Interest	3,100	4,608	4,800	4,538
Other	-	67	-	16,352
Rental Income	24,000	24,000	24,000	24,000
TOTAL RECEIPTS	1,284,191	1,568,186	1,053,607	1,396,570
DISBURSEMENTS				
Training	-	2,358	-	1,586
Salaries and Fringe	693,177	666,204	701,053	629,988
Office Expense	24,640	19,746	24,161	24,432
Insurance	124,640	138,884	123,000	118,342
Legal and Accounting	2,870	5,097	2,435	3,861
Program Expenses	303,741	307,693	341,275	333,579
Building Repairs	8,800	11,161	8,700	8,025
Transportation	21,402	25,648	23,500	24,315
Other	3,725	3,533	3,350	4,475
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	1,182,995	1,180,323	1,227,474	1,148,603
RECEIPTS OVER (UNDER) DISBURSEMENTS	101,196	387,863	(173,867)	247,967
CASH AND INVESTMENT BALANCES, JANUARY 1	1,129,918	1,129,918	881,951	881,951
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 1,231,114	\$ 1,517,781	\$ 708,084	\$ 1,129,918

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THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

RENTAL PROPERTY FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 9,000	\$ 10,900	\$ 12,000	\$ 11,700
Interest	-	9	300	135
Other	-	-	-	-
Transfers In	-	-	60,000	60,000
TOTAL RECEIPTS	9,000	10,909	72,300	71,835
DISBURSEMENTS				
Maintenance and Outlay	-	-	5,150	-
Loan Payment	-	-	101,803	101,800
Other	12,730	6,325	-	5,150
TOTAL DISBURSEMENTS	12,730	6,325	106,953	106,950
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,730)	4,584	(34,653)	(35,115)
CASH AND INVESTMENT BALANCES, JANUARY 1	3,730	3,730	38,845	38,845
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 8,314	\$ 4,192	\$ 3,730

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THE COUNTY OF WASHINGTON  
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COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	EMERGENCY FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ 500	\$ 204	\$ 1,500	\$ 517
TOTAL RECEIPTS	500	204	1,500	517
DISBURSEMENTS				
Loan Payment	-	-	-	-
TOTAL DISBURSEMENTS	-	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	500	204	1,500	517
CASH AND INVESTMENT BALANCES, JANUARY 1	127,532	127,532	127,015	127,015
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 128,032	\$ 127,736	\$ 128,515	\$ 127,532

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THE COUNTY OF WASHINGTON  
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COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
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SHERIFF'S INMATE SECURITY FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental Revenues	\$ 57,100	\$ 37,159	\$ 46,080	\$ 41,677
Interest	25	26	150	25
TOTAL RECEIPTS	57,125	37,185	46,230	41,702
DISBURSEMENTS				
Tech Support	1,000	-	-	-
Other	57,000	23,685	2,000	2,389
Transfers Out	-	-	41,825	39,756
TOTAL DISBURSEMENTS	58,000	23,685	43,825	42,145
RECEIPTS OVER (UNDER) DISBURSEMENTS	(875)	13,500	2,405	(443)
CASH AND INVESTMENT BALANCES, JANUARY 1	1,760	1,760	2,203	2,203
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 885	\$ 15,260	\$ 4,608	\$ 1,760

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THE COUNTY OF WASHINGTON  
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COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
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YEARS ENDED DECEMBER 31, 2021 AND 2020

<b>L.E.F. RESTITUTION FUND</b>				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 20,000	\$ 26,244	\$ 20,000	\$ 22,439
Interest	100	44	-	132
TOTAL RECEIPTS	20,100	26,288	20,000	22,571
DISBURSEMENTS				
Vehicle Expense	11,000	11,000	11,000	11,000
Weapons and Ammunition	8,000	8,000	5,000	4,696
Transfers Out	-	-	-	-
Other	18,745	5,048	18,148	18,148
TOTAL DISBURSEMENTS	37,745	24,048	34,148	33,844
RECEIPTS OVER (UNDER) DISBURSEMENTS	(17,645)	2,240	(14,148)	(11,273)
CASH AND INVESTMENT BALANCES, JANUARY 1	17,645	17,645	28,918	28,918
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 19,885	\$ 14,770	\$ 17,645

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THE COUNTY OF WASHINGTON  
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HELP AMERICA VOTE ACT FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ 31,461
Charges for Services	2,000	2,100	2,500	1,950
Interest	-	10	-	19
Other	-	-	31,461	-
TOTAL RECEIPTS	2,000	2,110	33,961	33,430
DISBURSEMENTS				
Grant Expenditures	-	-	31,461	31,461
Other	6,762	-	5,000	-
TOTAL DISBURSEMENTS	6,762	-	36,461	31,461
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,762)	2,110	(2,500)	1,969
CASH AND INVESTMENT BALANCES, JANUARY 1	4,762	4,762	2,793	2,793
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 6,872	\$ 293	\$ 4,762

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THE COUNTY OF WASHINGTON  
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COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES  
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TAX MAINTENANCE FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	\$ 43,000	\$ 44,405	\$ 43,000	\$ 45,252
Interest	500	45	750	129
TOTAL RECEIPTS	43,500	44,450	43,750	45,381
DISBURSEMENTS				
Other	45,000	42,925	49,000	45,468
TOTAL DISBURSEMENTS	45,000	42,925	49,000	45,468
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,500)	1,525	(5,250)	(87)
CASH AND INVESTMENT BALANCES, JANUARY 1	21,132	21,133	21,220	21,220
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 19,632	\$ 22,658	\$ 15,970	\$ 21,133

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THE COUNTY OF WASHINGTON  
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CARES ACT STIMULUS FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental Revenues	\$ -	\$ -	\$ 2,901,323	\$ 2,901,323
Interest	10	10	1,050	1,127
TOTAL RECEIPTS	10	10	2,902,373	2,902,450
DISBURSEMENTS				
Grant Expenditures	16,715	16,715	2,401,323	2,576,676
Transfers Out	-	-	500,000	309,069
TOTAL DISBURSEMENTS	16,715	16,715	2,901,323	2,885,745
RECEIPTS OVER (UNDER) DISBURSEMENTS	(16,705)	(16,705)	1,050	16,705
CASH AND INVESTMENT BALANCES, JANUARY 1	16,705	16,705	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ -	\$ 1,050	\$ 16,705

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THE COUNTY OF WASHINGTON  
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BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

		AMERICAN RESCUE PLAN ACT FUND			
		2021		2020	
		BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS					
	Intergovernmental Revenues	\$ -	\$ 2,401,756	\$ -	\$ -
	Interest	-	2,497	-	-
	TOTAL RECEIPTS	-	2,404,253	-	-
DISBURSEMENTS					
		-	-	-	-
	TOTAL DISBURSEMENTS	-	-	-	-
RECEIPTS OVER (UNDER)		-	2,404,253	-	-
DISBURSEMENTS					
CASH AND INVESTMENT BALANCES, JANUARY 1		-	-	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31		\$ -	\$ 2,404,253	\$ -	\$ -

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THE COUNTY OF WASHINGTON  
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	TOWNE SQUARE PARK FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Interest	\$ -	\$ 91	\$ -	\$ -
Other	-	123,548	-	-
TOTAL RECEIPTS	-	123,639	-	-
DISBURSEMENTS				
Other	-	90	-	-
TOTAL DISBURSEMENTS	-	90	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	123,549	-	-
CASH AND INVESTMENT BALANCES, JANUARY 1	-	-	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 123,549	\$ -	\$ -

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
AGENCY FUNDS - REGULATORY BASIS  
AS OF DECEMBER 31, 2021

	DRUG COURT PROGRAM	UNCLAIMED FEES	FINE MONEY	OVERPLUS	SHERIFF EVIDENCE ACT	RECORDER
ASSETS						
Cash and Cash Equivalents	\$ 43,298	\$ 263	\$ 48,790	\$ 414,640	\$ 96,818	\$ 16,238
TOTAL ASSETS	<u>43,298</u>	<u>263</u>	<u>48,790</u>	<u>414,640</u>	<u>96,818</u>	<u>16,238</u>
LIABILITIES AND FUND BALANCES						
Liabilities	43,298	263	48,790	414,640	96,818	16,238
TOTAL LIABILITIES	<u>43,298</u>	<u>263</u>	<u>48,790</u>	<u>414,640</u>	<u>96,818</u>	<u>16,238</u>
UNRESERVED FUND BALANCES	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 43,298</u>	<u>\$ 263</u>	<u>\$ 48,790</u>	<u>\$ 414,640</u>	<u>\$ 96,818</u>	<u>\$ 16,238</u>
	SHERIFF EMERGENCY FUND	COLLECTOR	SHERIFF	COUNTY RETIREMENT	SURTAX	TOTAL AGENCY FUNDS
ASSETS						
Cash and Cash Equivalents	\$ 4,101	\$ 8,096,974	\$ 96,818	\$ 2	\$ 6,923	\$ 8,824,865
TOTAL ASSETS	<u>4,101</u>	<u>8,096,974</u>	<u>96,818</u>	<u>2</u>	<u>6,923</u>	<u>8,824,865</u>
LIABILITIES AND FUND BALANCES						
Liabilities	4,101	8,096,974	96,818	2	6,923	8,824,865
TOTAL LIABILITIES	<u>4,101</u>	<u>8,096,974</u>	<u>96,818</u>	<u>2</u>	<u>6,923</u>	<u>8,824,865</u>
UNRESERVED FUND BALANCES	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,101</u>	<u>\$ 8,096,974</u>	<u>\$ 96,818</u>	<u>\$ 2</u>	<u>\$ 6,923</u>	<u>\$ 8,824,865</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
AGENCY FUNDS - REGULATORY BASIS  
AS OF DECEMBER 31, 2020

	DRUG COURT PROGRAM	UNCLAIMED FEES	FINE MONEY	OVERPLUS	SHERIFF EVIDENCE ACT	RECORDER
ASSETS						
Cash and Cash Equivalents	\$ 54,533	\$ 66	\$ 42,888	\$ 186,444	\$ 96,664	\$ 17,569
TOTAL ASSETS	<u>54,533</u>	<u>66</u>	<u>42,888</u>	<u>186,444</u>	<u>96,664</u>	<u>17,569</u>
LIABILITIES AND FUND BALANCES						
Liabilities	54,533	66	42,888	186,444	96,664	17,569
TOTAL LIABILITIES	<u>54,533</u>	<u>66</u>	<u>42,888</u>	<u>186,444</u>	<u>96,664</u>	<u>17,569</u>
UNRESERVED FUND BALANCES	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 54,533</u>	<u>\$ 66</u>	<u>\$ 42,888</u>	<u>\$ 186,444</u>	<u>\$ 96,664</u>	<u>\$ 17,569</u>
	SHERIFF EMERGENCY FUND	COLLECTOR	SHERIFF	COUNTY RETIREMENT	SURTAX	TOTAL AGENCY FUNDS
ASSETS						
Cash and Cash Equivalents	\$ 4,094	\$ 7,489,098	\$ 96,664	\$ 2	\$ 8,058	\$ 7,996,080
TOTAL ASSETS	<u>4,094</u>	<u>7,489,098</u>	<u>96,664</u>	<u>2</u>	<u>8,058</u>	<u>7,996,080</u>
LIABILITIES AND FUND BALANCES						
Liabilities	4,094	7,489,098	96,664	2	8,058	7,996,080
TOTAL LIABILITIES	<u>4,094</u>	<u>7,489,098</u>	<u>96,664</u>	<u>2</u>	<u>8,058</u>	<u>7,996,080</u>
UNRESERVED FUND BALANCES	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,094</u>	<u>\$ 7,489,098</u>	<u>\$ 96,664</u>	<u>\$ 2</u>	<u>\$ 8,058</u>	<u>\$ 7,996,080</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Washington, Missouri ("County"), which is governed by a three-member board of commissioners, was established in 1813 by an Act of the Missouri Territory. In addition to the three Commissioners, there are eleven elected Constitutional Officers: Assessor, County Clerk, Treasurer, Collector, Circuit Clerk, Sheriff, Coroner, Surveyor, Public Administrator, Recorder and Prosecuting Attorney.

As discussed further in Note I, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

A. Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present the County's financial accountability.

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, transportation, economic development, and social and recreation services.

The financial statements referred to above include only the primary government of Washington County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity.

B. Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri law, which include a Statement of Receipts, Disbursements and Changes in Cash and Investment Balances – All Governmental Funds, a Comparative Statement of Receipts and Disbursements – Budget and Actual – All Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Agency Funds.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts. The following fund types are used by the County:

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (concluded)

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

Fiduciary Fund Types

*Agency* – Agency funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds or other governmental units. Agency funds are accounted for and reported similarly to the governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other officeholders.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

As a result of using this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation bonds and obligations under capital leases) and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budget and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50 RSMo, the County adopts a budget for each governmental fund.
2. On or before January 15th, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.
4. A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.
5. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
6. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget information in the financial statements.
7. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of formal budget is required by law. No budget on American Rescue Plan Act Fund and Towne Square Park Fund as these Funds were newly created in 2021.
10. State law requires that budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. Section 50.740 RSMo prohibits expenditures in excess of the approved budgets.



THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1, of the following year.

The assessed valuation of the tangible taxable property, included within the County's boundaries for the calendar year 2021 and 2020, for purposes of taxation, was:

	<u>2021</u>	<u>2020</u>
Real Estate	\$ 140,109,160	\$ 133,416,960
Personal Property	65,152,480	57,421,951
Railroad and Utilities	<u>84,453,731</u>	<u>81,954,699</u>
	<u>\$ 289,715,371</u>	<u>\$ 272,793,610</u>

During 2021 and 2020, the County Commission approved a \$0.6862 and \$0.6993, respectively, tax levy per \$100 of assessed valuation of tangible taxable property for purposes of County taxation, as follows:

	<u>2021</u>	<u>2020</u>
General Revenue Fund	\$ 0.1910	\$ 0.2012
Special Road and Bridge Fund	0.2590	0.2605
Senior Citizen Services Fund	0.0472	0.0475
Senate Bill 40 Fund	<u>0.1890</u>	<u>0.1901</u>
	<u>\$ 0.6862</u>	<u>\$ 0.6993</u>

F. Cash and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer Funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the funds' average daily cash balances. Cash equivalents include repurchase agreements and any other instruments with an original maturity of 90 days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, or time certificates of deposit, provided, however, that no such investment shall be purchased at a price in excess of par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash balances are presented in Note II.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

G. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are eliminated due to reporting the financial statements on the regulatory basis of accounting.

Legally required transfers are reported as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.

II. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed as "Cash and Investments" under each fund's caption. Deposits with maturities greater than three months are considered investments. In addition, cash and investments are separately held by several of the County's funds. Investments of the County consist of certificates of deposit with local banking institutions.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2021, and 2020, the carrying amount of the County's deposits and investments were \$8,814,496 and \$7,039,616, and the bank balance was \$9,726,212 and \$8,454,584, respectively. The total bank balances as of December 31, 2021, and 2020 were insured through the Federal Deposit Insurance Corporation and securities set by the County's financial institutions.

SUMMARY OF CARRYING VALUES

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2021, as follows:

Statements of Receipts, Disbursements and Changes in Cash  
and Investment Balances

Deposits and cash equivalents	\$ 8,714,496
Investments	<u>100,000</u>
Total Governmental Funds	\$ <u>8,814,496</u>

Statement of Assets and Liabilities Arising from Cash  
Transactions – Agency Funds:

Deposits	\$ 8,824,865
Investments	<u>-</u>
Total Agency Funds	<u>8,824,865</u>
Total Deposits and Investments as of December 31, 2021	\$ <u><u>17,639,361</u></u>

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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II. CASH AND INVESTMENTS (concluded)

The carrying values of deposits and investments at December 31, 2020, are as follows:

Statements of Receipts, Disbursements and Changes in Cash and Investment Balances	
Deposits and cash equivalents	\$ 6,657,116
Investments	382,500
Total Governmental Funds	\$ 7,039,616
Statement of Assets and Liabilities Arising from Cash Transactions – Agency Funds:	
Deposits	\$ 7,996,080
Investments	-
Total Agency Funds	7,996,080
Total Deposits and Investments as of December 31, 2020	\$ 15,035,696

Custodial Credit Risk – Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the years ended December 31, 2021, and 2020.

Custodial Credit Risk – Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments. All investments, evidenced by individual securities, are registered in the name of the County or of a type not exposed to custodial credit risk.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities. The County's investments were not exposed to concentration of investment credit risk for the years ended December 31, 2021, and 2020.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

III. LONG-TERM DEBT

Capital Leases

	Balance as of	
	<u>12/31/2021</u>	<u>12/31/2020</u>
Road and Bridge District #1		
The County entered into a capital lease on February 16, 2016, for a 2013 John Deere Loader, through First State Community Bank in the amount of \$87,020, with an interest rate of 2.750%. The balance will be repaid through five annual payments. The County made interest payments during 2021 and 2020 in the amounts of \$514 and \$1,011.	\$ -	\$ 18,374
The County entered into a capital lease on August 16, 2021, for two 2022 Mack Granite Tandem Trucks, through KS State Bank in the amount of \$287,790, with an interest rate of 2.97%. The balance will be repaid through two annual payments. The County has a purchase option price of \$251,704 at the closing date. No interest payments were made during 2021.	287,790	-
The County entered into a capital lease on September 20, 2021, for a 2021 Asphalt Projects, through First State Community Bank in the amount of \$150,120, with an interest rate of 2.50%. The balance will be repaid after six months. The County made no interest payments during 2021.	150,120	-
Sheriff's Office		
The County entered into a capital lease on November 1, 2019, for a Ford Explorer and Ford F-150 Supercrew through First State Community Bank in the amount of \$69,891 with an interest rate of 2.97%. The balance will be repaid through 4 annual payments. The County made interest payments during 2021 and 2020 in the amounts of \$ 549 and \$2,110. The lease was paid off during 2021.	-	53,192
The County entered into a capital lease on June 12, 2018, for five Ford F-150 4X4 Crew Cabs through First State Community Bank in the amount of \$120,558 with an interest rate of 3.40%. The balance will be repaid through 4 annual payments. The County made an interest payment in 2020 of \$3,178. The lease was paid off during 2020.	-	-
The County entered into a capital lease on March 9, 2020, for two Ford F-150 Pick-up Trucks, through First State Community Bank in the amount of \$66,942 with an interest rate of 2.69%. The balance will be repaid through 4 annual payments. The County made an interest payment in 2021 of \$1,826.	50,875	66,942

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

The County entered into a capital lease on March 8, 2021, for three 2020 Ford Explorers, through First State Community Bank in the amount of \$118,291 with an interest rate of 2.2%. The balance will be repaid through 5 annual payments. The County made no interest payment in 2021.

118,291                      -

The County entered into a capital lease on June 14, 2021, for two 2021 Chevrolet Pick-ups, through First State Community Bank in the amount of \$73,379 with an interest rate of 2.2%. The balance will be repaid through 5 annual payments. The County made no interest payment in 2021.

73,379                      -

County Commission's Office

The County entered into a lease purchase agreement on April 29, 2014, for the purchase of various property, through First State Community Bank in the amount of \$365,000 with an interest rate of 4.375%. The balance will be repaid through 20 annual payments. The County made an interest payment in 2020 in the amount of \$5,289. The lease was paid off during 2020.

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Total Capital Leases	\$	<u>680,455</u>	\$	<u>138,508</u>
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THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

III. LONG-TERM DEBT (continued)

As of December 31, 2021, the unpaid principal balances of the capital leases were as follows:

Description	Account Balance 12/31/2020	Current Year Additions	Current Year Refunding & Payments	Account Balance 12/31/2021	Interest Paid Fiscal Year 2021
Capital Leases	\$ 138,508	\$ 629,580	\$ 87,633	\$ 680,455	\$ 2,888
Total	\$ 138,508	\$ 629,580	\$ 87,633	\$ 680,455	\$ 2,888

The future payments for the capital lease agreements as of December 31, 2021, are as follows:

Year Ended December 31,	Principal	Interest	Total
2022	\$ 272,568	\$ 14,969	\$ 287,537
2023	272,946	10,885	283,831
2024	55,725	3,105	58,830
2025	39,171	1,767	40,938
2026	40,045	893	40,938
	\$ 680,455	\$ 31,619	\$ 712,074

As of December 31, 2020, the unpaid principal balances of the capital leases were as follows:

Description	Account Balance 12/31/2019	Current Year Additions	Current Year Refunding & Payments	Account Balance 12/31/2020	Interest Paid Fiscal Year 2020
Capital Leases	\$ 294,584	\$ 66,942	\$ 223,018	\$ 138,508	\$ 11,588
Total	\$ 294,584	\$ 66,942	\$ 223,018	\$ 138,508	\$ 11,588

The future payments for the capital lease agreements as of December 31, 2020, were as follows:

Year Ended December 31,	Principal	Interest	Total
2021	\$ 51,648	\$ 3,941	\$ 55,589
2022	34,230	2,471	36,701
2023	35,214	1,487	36,701
2024	17,416	476	17,892
	\$ 138,508	\$ 8,375	\$ 146,883

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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IV. OPERATING LEASES

The County entered into an operating lease through Ricoh for copier equipment for the Prosecuting Attorney's office as of September 11, 2017. The lease is effective for 60 months with monthly payments of \$107. During the 2021 and 2020 year, the County made payments totaling \$1,278 and \$1,278.

The County entered into an operating lease through Ricoh for copier equipment for the County Clerk's office as of March 19, 2018. The lease is effective for 60 months with monthly payments of \$103. During the 2021 and 2020 year, the County made payments totaling \$1,234 and \$1,234.

The County entered into an operating lease through Ricoh for copier equipment for the County Collector's office as of May 24, 2016. The lease is effective for 60 months with monthly payments of \$65. During the 2021 and 2020 year, the County made payments totaling \$780 and \$325.

The County entered into an operating lease through Ricoh for copier equipment for the Assessor's office as of December 14, 2015. The lease is effective for 60 months with monthly payments of \$64. During the 2020 year, the County made payments totaling \$765.

The County entered into an operating lease through Ricoh for copier equipment for the Recorder's office as of March 22, 2018. The lease is effective for 60 months with monthly payments of \$100. During the 2021 and 2020 year, the County made payments totaling \$1,201 and \$1,201.

The County entered into an operating lease through Ricoh for copier equipment for the Assessor's office as of April 15, 2021. The lease is effective for 60 months with monthly payments of \$59. During the 2021 year, the County made payments totaling \$472.

The County entered into an operating lease through Canon Financial Services for copier equipment for the Sheriff's Office (Front office and upstairs) as of April 19, 2018. The lease is effective for 36 months with monthly payments of \$218. During the 2021 and 2020 year, the County made payments totaling \$2,619 and \$2,619.

The County entered into an operating lease through Canon Financial Services for copier equipment for the Sheriff's Office (Jail) as of September 13, 2018. The lease is effective for 36 months with monthly payments of \$109. During the 2021 and 2020 year, the County made payments totaling \$1,310 and \$1,310.

The County entered into an operating lease through Canon Financial Services for copier equipment for the Circuit Clerk as of October 30, 2020. The lease is effective for 36 months with monthly payments of \$142. During the 2021 and 2020 year, the County made payments totaling \$1,699 and \$283.

The County entered into an operating lease through Pitney Bowes for a postage meter for the Clerk's office as of June 28, 2016. The lease is effective for 48 months with quarterly payments of \$240. During the 2020 year, the County made payments totaling \$480.

The County entered into an operating lease through John Deere Financial for a Motor Grader for the Road and Bridge office as of July 24, 2017. The lease is effective for 60 months with annual payments of \$17,163. The County has a purchase option price of \$154,889 on July 24, 2022. During the 2021 and 2020 year, the County made payments totaling \$17,163 and \$17,163.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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IV. OPERATING LEASES (continued)

The County entered into an operating lease through John Deere Financial for a Motor Grader for the Road and Bridge office as of February 26, 2020. The lease is effective for 60 months with annual payments of \$27,125. The County has a purchase option price of \$105,444 on February 26, 2025. During the 2021 and 2020 year, the County made payments totaling \$27,125 and \$27,125.

2021 Future Minimum Payments for Operating Leases:

Year Ending December 31,	Total Minimum Payments
2021	\$ 53,954
2022	32,218
2023	29,355
2024	27,125
	\$ 142,652

2020 Future Minimum Payments for Operating Leases:

Year Ending December 31,	Total Minimum Payments
2022	\$ 32,926
2023	30,063
2024	27,836
2025	708
2026	236
	\$ 91,769



THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

V. INTERFUND TRANSFERS

Transfers between funds for the years ended December 31, 2021, and 2020, are as follows:

	2021		2020	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General Revenue Fund	\$ 161,802	\$ 617,314	\$ 498,360	\$ 790,287
Special Road and Bridge Fund	-	112,414	-	152,649
Assessment Fund	-	-	23,953	-
Sheriff L.E.F. Fund	361,014	-	425,090	-
Sheriff's Civil Fund	-	11,000	-	4,000
Airport Fund	-	32,088	-	36,642
Building Fund	250,000	-	385,000	60,000
Rental Property Fund	-	-	60,000	-
Sheriff's Inmate Security Fund	-	-	-	39,756
Cares Act Stimulus Fund	-	-	-	309,069
TOTAL	\$ 772,816	\$ 772,816	\$ 1,392,403	\$ 1,392,403

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VI. COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

A. Plan Description

CERF was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of 11 members, 9 of whom are county employee participants. Two members, who have no beneficiary interest in CERF, are appointed by the Governor of Missouri. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF is a mandatory cost-sharing multiple employer retirement system for each county in the state of Missouri, except any city not within a county (which excludes the city of St. Louis) and counties of the first classification with a charter form of government. CERF covers county elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first class, non-charter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, county prosecuting attorneys, and county sheriffs. Until January 1, 2000, employees hired before January 1, 2000, could opt out of the system.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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VI. COUNTY EMPLOYEES' RETIREMENT FUND (CERF) (continued)

A. Plan Description (continued)

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost-of-living adjustments, not to exceed 1%, are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of CERF are paid out of the funds of the system.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-573-632-9203.

B. Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 4% contribution on behalf of employees. Total contributions remitted to CERF for the years ended December 31, 2021, and 2020 were \$ 153,605.36 and \$152,907.65, respectively.

VII. POST-EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County. The County has no active participants of COBRA as of December 31, 2021 and 2020. Thus, no payments were made for the premiums as of December 31, 2021 and 2020.

VIII. PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Section 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County has contributed \$11,628 and \$11,628, respectively, for the years ended December 31, 2021, and 2020.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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IX. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

The County has filed charges against the County Collector and her deputy clerk, the former County trustee and the former clerk. The four individuals were charged with stealing from Washington County by receiving cash fees for processing trustee property sales. As of audit report date, there's no determination if restitution can be made or completed.

Compensated Absences

The County provides employees with annual leave. Each employee earns leave based upon his or her term of service with the County earning 72 hours after the first year, 120 hours per year for 2-5 years of service, 144 hours per year for 6-10 years of service, 168 hours per year for 11-15 years of service, 192 hours per year for 16-20 years of service, 216 hours per year for 21-25 years of service, and 240 hours per year after 26 years of service. Annual leave must be used in the year it is earned. Any unused leave time will be forfeited at the end of the calendar year. Any employee with benefits, who has worked for one full year, leaving the County service due to resignation, death or termination, shall be compensated for vacation credit unused to the date of termination.

Employees in the County earn 8 days of sick leave per year, and this can be accrued to an unlimited number. It is not paid to the employee upon separation of employment of the County.

B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

X. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. Insurance is obtained from commercial insurance companies. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body created pursuant to state statute (Section 537.700 RSMo.). The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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X. RISK MANAGEMENT (continued)

The County is also a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

XI. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2021, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 27, 2023, the date the financial statements were available to be issued.

The County believes that there are no subsequent events that need to be disclosed in the financial statements.

**SUPPLEMENTARY SCHEDULES AND AUDITOR'S REPORT**

## **FEDERAL COMPLIANCE SECTION**

1257 Hornsby \* St. Louis, Missouri 63147  
TEL: (219) 944-1615 \* FAX: (866) 834-4294 \* [www.crwilliams.net](http://www.crwilliams.net)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

To the County Commission and Officeholders  
Washington County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the County of Washington ("County") which comprise the Statement of Receipts, Disbursements and Changes in Cash and Investment Balances - All Governmental Funds -Regulatory Basis and the Statements of Assets and Liabilities Arising From Cash Transactions – Agency Funds - Regulatory Basis as of December 31, 2021 and 2020, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash and Investment Balances - Budget and Actual – All Governmental Funds - Regulatory Basis as of and for the year ended December 31, 2021 and 2020 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 27, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Washington County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Washington County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Washington County, Missouri's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Washington County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* as described in the accompanying schedule of findings and questioned costs as item 2021-01.

**Washington County, Missouri's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Washington County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Washington County, Missouri's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
March 27, 2023



1257 Hornsby \* St. Louis, Missouri 63147

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE

To the County Commission and Officeholders  
Washington County, Missouri

**Report on Compliance for Each Major Federal Program*****Opinion on the Major Federal Program***

We have audited County of Washington's ("County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the County's major federal program for the years ended December 31, 2021 and 2020. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the years ended December 31, 2021 and 2020.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
March 27, 2023

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2021 and 2020

FEDERAL GRANTOR/PASSTHROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	FEDERAL ALN	PASS-THROUGH ENTITY IDENTIFYING	12/31/2021 PROVIDED TO SUBRECIPIENTS	12/31/2021 FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
PASSED THROUGH THE STATE				
Office of Administration:				
Schools and Roads -Grants to States	10.665	N/A	\$ 118,044.38	\$ 185,167.66
<i>Total U.S. Department of Agriculture</i>			118,044.38	185,167.66
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
PASSED THROUGH THE STATE				
Department of Economic Development				
Community Development Block Grants/State's Program	14.228	2019-EM-05	-	40,047.25
<i>Total U.S. Department of Housing and Urban Development</i>			-	40,047.25
<b>U.S. DEPARTMENT OF INTERIOR</b>				
DIRECT PROGRAM				
PILT- Payments in Lieu of Taxes	15.226	N/A	-	142,705.00
PASSED THROUGH THE STATE				
Office of Administration				
National Forest Acquired Lands	15.438	N/A	63,371.18	88,494.90
<i>Total U.S. Department of Interior</i>			63,371.18	231,199.90
<b>U.S. DEPARTMENT OF JUSTICE</b>				
PASSED THROUGH THE STATE				
Missouri Department of Public Safety				
Public Safety Partnership and Community Policing Grants	16.710	2020UMWX0425	-	88,459.20
<i>Total U.S. Department of Justice</i>			-	88,459.20
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
PASSED THROUGH STATE				
Missouri Highway and Transportation Commission:				
Highway Planning and Construction	20.205	BRO-B110(11)	-	14,134.31
Total ALN 20.205			-	14,134.31
Airport Improvement Program	20.106	19-060A-1	-	111,366.00
Total ALN 20.106			-	111,366.00
Highway Safety Cluster:				
State and Community Highway Safety-HMV Enforcement	20.600	22-PT-02-047	-	420.92
Total Highway Safety Cluster			-	420.92
PASSED THROUGH UNIVERSITY OF CENTRAL MISSOURI				
Alcohol Open Container Requirements:				
Holiday DWI Enforcement Campaign	20.607	21-154-AL-037	-	916.12
Drive Sober or Get Pulled Over DWI Enforcement Campaign	20.607	21-154-AL-037	-	1,064.68
July 4th DWI Campaign	20.607	20-154-AL-017	-	470.44
St. Patrick's Day DWI Enforcement Campaign	20.607	21-154-AL-037	-	841.84
Total ALN 20.607			-	3,293.08
<i>Total U.S. Department of Transportation</i>			-	129,214.31
<b>U.S. DEPARTMENT OF TREASURY</b>				
PASSED THROUGH THE STATE				
Office of Administration				
Coronavirus Relief Fund	21.019	N/A	-	15,577.60
<i>Total U.S. Department of Treasury</i>			-	15,577.60
<b>Total Expenditures of Federal Awards</b>			<b>\$ 181,415.56</b>	<b>\$ 689,665.92</b>

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2021 and 2020

FEDERAL GRANTOR/PASSTHROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	FEDERAL ALN	PASS-THROUGH ENTITY IDENTIFYING	12/31/2020 PROVIDED TO SUBRECIPIENTS	12/31/2020 FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
PASSED THROUGH THE STATE				
Office of Administration:				
Schools and Roads -Grants to States	10.665	N/A	\$ 126,846.18	\$ 198,974.40
<b>DIRECT PROGRAM</b>				
State & Private Forestry Hazardous Fuel Reduction Program	10.697	19-DG-11420000-271	-	50,654.54
<i>Total U.S. Department of Agriculture</i>			126,846.18	249,628.94
<b>U.S. DEPARTMENT OF INTERIOR</b>				
<b>DIRECT PROGRAM</b>				
PILT- Payments in Lieu of Taxes	15.226	N/A	-	133,755.00
<b>PASSED THROUGH THE STATE</b>				
Office of Administration				
National Forest Acquired Lands	15.438	N/A	77,242.70	102,990.27
<i>Total U.S. Department of Interior</i>			77,242.70	236,745.27
<b>U.S. DEPARTMENT OF JUSTICE</b>				
<b>PASSED THROUGH THE STATE</b>				
Missouri Department of Public Safety				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-LLEBG-083	-	2,053.60
<i>Total U.S. Department of Justice</i>			-	2,053.60
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
<b>PASSED THROUGH STATE</b>				
Missouri Highway and Transportation Commission:				
Highway Planning and Construction	20.205	BRO-B110(11)	-	47,181.46
Highway Planning and Construction	20.205	FLAP WASH 657 (1)	-	1,394.59
Highway Planning and Construction	20.205	FLAP WASH CR (1)	-	281,527.32
Total ALN 20.205			-	330,103.37
 Airport Improvement Program -FAA Masterplan	20.106	19-060A-1	-	5,805.00
Airport Improvement Program -FAA Masterplan	20.106	13-060A-1	-	7,181.00
Airport Improvement Program	20.106	19-060A-1	-	164,805.00
Airport Improvement Program - CARES	20.106	20-077B-2	-	14,280.00
Total ALN 20.106			-	192,071.00
 Federal Aviation Administration Centers of Excellence	20.109	19-060A-1	-	196,997.00
 Highway Safety Cluster:				
State and Community Highway Safety-HMV Enforcement	20.600	20-PT-02-086	-	1,757.96
Total Highway Safety Cluster			-	1,757.96
<b>PASSED THROUGH UNIVERSITY OF CENTRAL MISSOURI</b>				
Alcohol Open Container Requirements:				
Drive Sober or Get Pulled Over Enforcement Campaign	20.607	20-154-AL-017	-	891.36
July 4th DWI Campaign	20.607	20-154-AL-017	-	148.56
<b>PASSED THROUGH MISSOURI HIGHWAY SAFETY AND TRAFFIC DIVISION</b>				
DWI saturation Enforcement	20.607	20-154-AL-093	-	1,559.88
Total ALN 20.607			-	2,599.80
<i>Total U.S. Department of Transportation</i>			-	723,529.13
<b>U.S. DEPARTMENT OF TREASURY</b>				
<b>PASSED THROUGH THE STATE</b>				
Office of Administration				
Coronavirus Relief Fund	21.019	N/A	-	2,885,745.40
<i>Total U.S. Department of Treasury</i>			-	2,885,745.40
<b>ELECTION ASSISTANCE COMMISSION</b>				
<b>PASSED THROUGH STATE</b>				
Office of the Secretary State				
CARES Act-Help America Vote Act Election Security Grants	90.404	N/A	-	26,217.23
Help America Vote Act Election Security Grants (Covid Funds)	90.404	BRP 696	-	733.15
<i>Total Election Assistance Commission</i>			-	26,950.38
<b>Total Expenditures of Federal Awards</b>			<b>\$ 204,088.88</b>	<b>\$ 4,124,652.72</b>

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2021 and 2020

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the County of Washington under programs of the federal government for the years ended December 31, 2021, and 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – SUB-RECIPIENTS

The County provided federal awards to sub-recipients during the years ended December 31, 2021 and 2020. The sub-recipients are as follows:

Program Title	Subrecipient	Federal ALN	Amount Provided to Subrecipient	
			2021	2020
Schools and Roads -Grants to States	Potosi R-3 SD	10.665	\$ 42,901.04	\$ 46,099.89
Schools and Roads -Grants to States	Valley R-6 SD	10.665	55,073.82	59,180.31
Schools and Roads -Grants to States	Bourbon CR-1 SD	10.665	20,069.52	21,565.98
National Forest Acquired Lands	Potosi R-3 SD	15.438	23,031.08	28,072.43
National Forest Acquired Lands	Valley R-6 SD	15.438	29,565.93	36,037.72
National Forest Acquired Lands	Bourbon CR-1 SD	15.438	10,774.17	13,132.55
<b>Total Provided to Subrecipients</b>			<b>\$ 181,415.56</b>	<b>\$ 204,088.88</b>

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Type of auditor's report issued: Unmodified Opinion
2. Internal control over financial reporting:
  - a. Material weakness(es) identified?
 

2021	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
2020	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
  - b. Significant deficiency(ies) identified?
 

2021	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
2020	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
3. Noncompliance material to financial statements noted?
 

2021	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
2020	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

B. Federal Awards

1. Internal control over major federal programs:
  - a. Material weakness(es) identified?
 

2021	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
2020	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
  - b. Significant deficiency(ies) identified?
 

2021	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
2020	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
2. Type of auditor's report issued on compliance for major federal programs:
 

2021	- Unmodified
2020	- Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?
 

2021	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
2020	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No





THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

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III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEARS  
ENDED DECEMBER 31, 2021 AND 2020

There were no Federal Award Findings and Questioned Costs for the years ended December 31, 2021 and 2020.

THE COUNTY OF WASHINGTON  
POTOSI, MISSOURI  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

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I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS

There were no financial statement findings noted for the years ended December 31, 2019, and 2018.

II. PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings or questioned costs noted for the years ended December 31, 2019, and 2018.



DOUG SHORT  
COMMISSIONER  
1ST DISTRICT

## WASHINGTON COUNTY COMMISSION

102 North Missouri Street  
Potosi, Missouri 63664  
(573) 438-4346  
FAX (573) 438-4038

DAVE SANSEGRAW  
PRESIDING COMMISSIONER



CODY BRINLEY  
COMMISSIONER  
2ND DISTRICT

March 27, 2023

CR Williams Associates, LLC  
1257 Hornsby Avenue, Suite 2FN  
St. Louis, Missouri 63147

Re: Washington County, Missouri Audit – Years Ending December 31, 2021 and 2020

Please consider this correspondence to be Washington County's formal response to Finding  
**2021-01: NO FORMAL BUDGET SET FOR SOME FUNDS.**

The budget for the Towne Square Park Fund for 2021 and 2022 was provided. This fund contains no tax-payer funds. It is a fund holding patron donations that will be used to complete the Towne Square Park Project. The budget for the American Rescue Plan Act Fund for 2022 is provided. The budget lists the funds deposited in 2021. The budget for the American Rescue Plan Act fund was created when guidelines were made clear to the counties. Washington County did not spend any of the American Rescue Plan Act Fund until a budget was created.

Please let us know if you have any questions or if further documentation will be required.

Sincerely,



Dave Sanscrauw  
Presiding Commissioner



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Reynolds County, Missouri

The Office of the State Auditor contracted for an audit of Reynolds County's financial statements for the 2 years ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by CR Williams & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

April 2023  
Report No. 2023-016



**Scott Fitzpatrick**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the contracted audit of Reynolds County

2021 & 2020-001

The county strictly adheres to the internal budgetary control procedures and the statutory requirements established for the State of Missouri. It is also recommended that the budgetary system should be regularly reviewed.

REYNOLDS COUNTY, MISSOURI  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2020, & 2021

PREPARED BY:  
CRWilliams & Associates LLC  
Certified Public Accountants  
1257 N. Hornsby  
St. Louis, MO 63147  
(219)-944-1615 (ofc)/(866)-834-4294 (fax)  
[www.crwilliams.net](http://www.crwilliams.net)

REYNOLDS COUNTY, MISSOURI  
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## INDEPENDENT AUDITOR'S REPORT

To the County Commission  
The County of Reynolds, Missouri

### **Unmodified and Adverse Opinions**

We have audited the accompanying financial statements of Reynolds County, Missouri, which comprise the Statement of Receipts, Disbursements, and Changes in Cash Balances- All Governmental Funds – Regulatory Basis, Comparative Statements of Receipts, Disbursements, Changes in Cash Balances- Budget and Actual – All Governmental Funds- Regulatory Basis and the Statement of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2021, and 2020, and the related notes to the financial statements.

### **Unmodified Opinion on the Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, Statement of Receipts, Disbursements, and Changes in Cash Balances- All Governmental Funds – Regulatory Basis, Comparative Statements of Receipts, Disbursements, Changes in Cash Balances- Budget and Actual – All Governmental Funds- Regulatory Basis and the Statement of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2021, and 2020, in accordance with financial reporting provisions of Missouri Law described in Note 1.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2021, and 2020, or changes in net position and cash flows thereof for the years then ended.

### **Basis for Unmodified and Adverse Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Reynolds County, State of Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinions.



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## INDEPENDENT AUDITOR'S REPORT- (continued)

### *Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note I of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note I and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting, a financial reporting framework prescribed or permitted by Missouri law. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Reynolds County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Governmental Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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## INDEPENDENT AUDITOR'S REPORT- (continued)

**Auditor's Responsibilities for the Audit of the Financial Statements - *continued***

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Reynolds County, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Reynolds County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

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## INDEPENDENT AUDITOR'S REPORT- (continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March xx, 2023 on our consideration of Reynolds County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Reynolds County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Reynolds County's internal control over financial reporting and compliance.

*CRWilliams & Associates LLC*

St. Louis, Missouri

March 13, 2023

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

FUNDS	CASH January 01, 2021	RECEIPTS 2021	DISBURSEMENTS 2021	CASH December 31, 2021
General Fund	\$ 645,541	\$ 1,989,408	\$ 1,604,434	\$ 1,030,515
Special Road and Bridge Fund	1,949,149	1,958,707	2,136,346	1,771,510
Assessment Fund	62,052	155,247	159,616	57,683
Sheriff's Training Fund	415	440	234	621
Prosecuting Attorney Fund	740	559	-	1,299
Inmate Security Fund	26,677	32,130	21,489	37,318
Recorder User Fee Fund	37,016	12,846	14,679	35,183
Children's Trust Fund	127	130	-	257
Senior Services Fund	21,087	41,770	44,284	18,573
Sheriff's Civil Fee Fund	20,152	4,599	2,783	21,968
FEMA Fund	1,000	-	-	1,000
Covid-19 ARPA	45,939	612,044	119,374	538,609
Sheriffs Revolving Fund	4,793	3,340	2,232	5,901
County Law Enforcement Restitution Fund	22,892	14,229	6,140	30,981
Administrative Handling Costs Fund	5,306	742	65	5,983
Election Services Fund	9,527	1,524	647	10,404
Tax Maintenance Fund	28,687	10,449	6,842	32,294
Title III Fund	81,536	21,782	-	103,318
LEPC Fund	31,798	-	-	31,798
Matching Grant Fund	165,326	9,307	25,839	148,794
Senate Bill 40 Fund	15,472	158,580	153,465	20,587
TOTALS	\$ 3,175,232	\$ 5,027,833	\$ 4,298,469	\$ 3,904,596

See notes to financial statements

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020

FUNDS	CASH		RECEIPTS		DISBURSEMENTS		CASH
	January 01, 2020		2020		2020		December 31, 2020
General Fund	\$ 492,782	\$	1,806,988	\$	1,654,229	\$	645,541
Special Road and Bridge Fund	517,698		3,433,090		2,001,639		1,949,149
Assessment Fund	105,132		160,278		203,358		62,052
Sheriff's Training Fund	743		422		750		415
Prosecuting Attorney Fund	200		540		-		740
Inmate Security Fund	28,492		27,756		29,571		26,677
Recorder User Fee Fund	32,980		12,768		8,732		37,016
Children's Trust Fund	292		135		300		127
Senior Services Fund	16,253		49,932		45,098		21,087
Sheriff's Civil Fee Fund	25,677		5,791		11,316		20,152
FEMA Fund	1,000		-		-		1,000
Covid-19 ARPA	-		739,549		693,610		45,939
Sheriff's Revolving Fund	2,165		6,847		4,219		4,793
County Law Enforcement Restitution Fund	17,313		11,242		5,663		22,892
Administrative Handling Costs Fund	6,305		496		1,495		5,306
Election Services Fund	5,419		34,195		30,087		9,527
Tax Maintenance Fund	39,880		10,842		22,035		28,687
Title III Fund	59,186		23,018		668		81,536
LEPC Fund	31,798		-		-		31,798
Matching Grant Fund	201,777		2,098		38,549		165,326
Senate Bill 40 Fund	40,950		262,265		287,743		15,472
TOTALS	\$ 1,626,042	\$	6,588,252	\$	5,039,062	\$	3,175,232

See notes to financial statements.

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

<b>GENERAL REVENUE FUND</b>				
<b>RECEIPTS</b>	2021		2020	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>
Property taxes	\$ 623,000	\$ 647,353	\$ 598,000	\$ 649,265
Sales Taxes	275,000	603,201	260,000	314,905
Intergovernmental	571,139	675,617	555,532	780,663
Charges for Services	42,700	47,153	40,200	43,477
Interest	15,000	16,084	15,000	18,678
<b>TOTAL</b>	<u>1,526,839</u>	<u>1,989,408</u>	<u>1,468,732</u>	<u>1,806,988</u>
<b>DISBURSEMENTS</b>				
County Commission	103,453	105,777	100,737	105,560
County Clerk	110,545	112,327	107,733	107,524
Elections	27,425	28,179	65,050	72,879
Buildings and Grounds	87,908	89,622	78,742	92,163
Employee Fringe Benefits	229,671	234,632	224,500	227,181
County Treasurer	47,376	47,195	46,690	45,922
Collector	91,793	87,911	83,266	86,835
Recorder of Deeds	52,676	50,695	51,095	49,799
Circuit Clerk	9,950	7,198	4,750	3,351
Court Administration	3,056	2,439	3,056	1,679
Public Administrator	30,700	30,507	29,743	28,135
Sheriff	421,608	375,284	414,886	403,571
Jail	50,550	52,023	43,550	44,086
Patrol Cars	107,000	88,745	104,774	104,243
Prosecuting Attorney	131,408	123,429	124,467	124,733
Juvenile Officer	25,403	25,403	25,403	25,403
Coroner	23,364	23,447	22,934	22,573
Publications	4,000	3,868	50,729	62,488
Health and Welfare	-	-	4,200	3,616
Victims Advocate Grant	43,229	43,523	-	-
Emergency Fund	-	-	44,033	42,488
Other	66,878	72,230	60,000	-
<b>TOTAL</b>	<u>1,667,993</u>	<u>1,604,434</u>	<u>1,690,338</u>	<u>1,654,229</u>
RECEIPTS OVER(UNDER)				
DISBURSEMENTS	(141,154)	384,974	(221,606)	152,759
CASH BALANCES, JANUARY 1	<u>645,541</u>	<u>645,541</u>	<u>492,782</u>	<u>492,782</u>
CASH BALANCES, DECEMBER 31	<u>\$ 504,387</u>	<u>\$ 1,030,515</u>	<u>\$ 271,176</u>	<u>\$ 645,541</u>

See notes to Financial Statements

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

		<b>SPECIAL ROAD AND BRIDGE FUND</b>			
		2021		2020	
	<b>RECEIPTS</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ACTUAL</b>
Property taxes		\$ 546,000	\$ 551,222	\$ 520,000	\$ 575,581
Sales Taxes		776,800	835,840	824,750	774,875
Intergovernmental		100,000	77,516	455,000	1,623,892
Interest		18,000	22,503	13,000	18,507
CDBG Grant		-	-	-	1,856
Other		457,718	471,626	634,000	438,379
TOTAL		<u>1,898,518</u>	<u>1,958,707</u>	<u>2,446,750</u>	<u>3,433,090</u>
<b>DISBURSEMENTS</b>					
Salaries		560,000	552,472	555,000	543,547
Employee Fringe Benefits		139,250	118,729	111,500	132,061
Supplies		30,400	30,168	49,100	25,367
Insurance		144,200	147,970	142,600	139,921
Road & Bridge Materials		670,000	374,948	220,000	174,888
Equipment Repairs		175,000	149,418	175,000	152,134
Fuel and Lubricants		170,000	145,865	170,000	104,399
Equipment Purchases		112,000	128,908	150,000	382,336
R&B Construction		450,218	444,470	626,000	267,859
Other		75,000	43,398	47,000	79,127
TOTAL		<u>2,526,068</u>	<u>2,136,346</u>	<u>2,246,200</u>	<u>2,001,639</u>
RECEIPTS OVER(UNDER)					
DISBURSEMENTS		(627,550)	(177,639)	200,550	1,431,451
CASH BALANCES, JANUARY 1		<u>1,949,149</u>	<u>1,949,149</u>	<u>517,698</u>	<u>517,698</u>
CASH BALANCES, DECEMBER 31		<u>\$ 1,321,599</u>	<u>\$ 1,771,510</u>	<u>\$ 718,248</u>	<u>\$ 1,949,149</u>

See notes to Financial Statements

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021, and 2020

	ASSESSMENT FUND				SHERIFF'S TRAINING FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>								
Intergovernmental	\$ 30,850	\$ 32,524	\$ 31,000	\$ 30,933	\$ -	\$ -	\$ -	\$ -
Charges for Services	109,400	119,582	93,400	121,779	500	440	500	422
Interest	3,000	1,021	1,800	3,368	-	-	-	-
Other	4,200	2,120	-	4,198	-	-	-	-
<b>TOTAL</b>	<b>147,450</b>	<b>155,247</b>	<b>126,200</b>	<b>160,278</b>	<b>500</b>	<b>440</b>	<b>500</b>	<b>422</b>
<b>DISBURSEMENTS</b>								
Assessor Salaries	108,330	107,539	105,380	105,616	-	-	-	-
Employee Fringe Benefits	27,050	28,197	35,500	36,605	-	-	-	-
Consultants	12,000	-	40,000	27,961	-	-	-	-
Supplies	1,800	2,661	1,200	3,526	-	-	-	-
Mapping Maintenance	2,300	1,472	-	207	-	-	-	-
Hardware/Software	18,500	17,725	23,350	27,297	-	-	-	-
Training	2,200	2,022	2,100	2,146	750	234	750	750
<b>TOTAL</b>	<b>172,180</b>	<b>159,616</b>	<b>207,530</b>	<b>203,358</b>	<b>750</b>	<b>234</b>	<b>750</b>	<b>750</b>
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	(24,730)	(4,369)	(81,330)	(43,080)	(250)	206	(250)	(328)
CASH BALANCES, JANUARY 1	62,052	62,052	105,132	105,132	415	415	743	743
CASH BALANCES, DECEMBER 31	\$ 37,322	\$ 57,683	\$ 23,802	\$ 62,052	\$ 165	\$ 621	\$ 493	\$ 415

See notes to Financial Statements



THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	PROSECUTING ATTORNEY FUND			INMATE SECURITY FUND		
	2021		2020	2021		2020
	BUDGET	ACTUAL	BUDGET	BUDGET	ACTUAL	BUDGET
<b>RECEIPTS</b>						
Charges for Services	\$ 500	\$ 559	\$ 200	\$ 20,000	\$ 32,080	\$ 20,000
Other	-	-	-	-	50	-
TOTAL	500	559	200	20,000	32,130	20,000
<b>DISBURSEMENTS</b>						
Training	-	-	200	-	-	-
Direct TV	-	-	-	600	645	550
Communication Expense	-	-	-	10,000	10,618	10,725
Jail Supplies	-	-	-	8,800	9,626	10,725
Professional Expense	-	-	-	600	600	-
TOTAL	-	-	200	20,000	21,489	22,000
RECEIPTS OVER(UNDER)	500	559	-	-	10,641	(2,000)
DISBURSEMENTS	740	740	200	26,677	26,677	28,492
CASH BALANCES, JANUARY 1	\$ 1,240	\$ 1,299	\$ 200	\$ 26,677	\$ 37,318	\$ 26,492
CASH BALANCES, DECEMBER 31						

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	RECORDER USER FEE FUND				CHILDREN'S TRUST FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>								
Charges for Services	\$ 11,900	\$ 12,830	\$ 10,900	\$ 12,769	\$ 135	\$ 130	\$ 175	\$ 135
Other	-	16	-	-	-	-	-	-
TOTAL	11,900	12,846	10,900	12,769	135	130	175	135
<b>DISBURSEMENTS</b>								
Recorder Supplies	17,500	14,679	13,100	8,733	-	-	-	-
Whole Health Outreach	-	-	-	-	-	-	-	300
Other	-	-	-	-	-	-	275	-
TOTAL	17,500	14,679	13,100	8,733	-	-	275	300
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	(5,600)	(1,833)	(2,200)	4,036	135	130	(100)	(165)
CASH BALANCES, JANUARY 1	37,016	37,016	32,980	32,980	127	127	292	292
CASH BALANCES, DECEMBER 31	\$ 31,416	\$ 35,183	\$ 30,780	\$ 37,016	\$ 262	\$ 257	\$ 192	\$ 127

See notes to Financial Statements

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	SENIOR SERVICES FUND				SHERIFF'S CIVIL FEE FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>								
Property Tax	\$ 50,000	\$ 41,770	\$ 50,000	\$ 49,932	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	5,700	4,599	7,500	5,791
TOTAL	50,000	41,770	50,000	49,932	5,700	4,599	7,500	5,791
<b>DISBURSEMENTS</b>								
Senior Services Activities	49,226	44,284	49,226	45,098	-	-	-	-
Sheriff Equipment and Supplies	-	-	-	-	3,000	2,783	11,070	11,316
TOTAL	49,226	44,284	49,226	45,098	3,000	2,783	11,070	11,316
RECEIPTS OVER(UNDER)	774	(2,514)	774	4,834	2,700	1,816	(3,570)	(5,525)
DISBURSEMENTS								
CASH BALANCES, JANUARY 1	21,087	21,087	16,253	16,253	20,152	20,152	25,677	25,677
CASH BALANCES, DECEMBER 31	\$ 21,861	\$ 18,573	\$ 17,027	\$ 21,087	\$ 22,852	\$ 21,968	\$ 22,107	\$ 20,152

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	FEMA FUND				COVID-19 ARPA			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>								
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	608,937	612,044	735,596	739,549
<b>TOTAL</b>	-	-	-	-	608,937	612,044	735,596	739,549
<b>DISBURSEMENTS</b>								
Professional Fees	-	-	-	-	-	811	-	2,047
Administrative Expenses	-	-	-	-	-	3,355	-	4,427
Facilitate Distance Learning	-	-	-	-	-	4,500	-	2,980
Food Program	-	-	-	-	-	-	-	59
Improve Telework Capabilities of Public Employees	-	-	-	-	-	3,716	-	10,963
Payroll for Public Health & Safety Employee	-	-	-	-	45,939	86,755	-	215,010
Personal Protective Equipment	-	-	-	-	-	1,207	-	59,400
Public Health Expenses	-	-	-	-	-	19,030	-	398,724
<b>TOTAL</b>	-	-	-	-	45,939	119,374	-	693,610
<b>RECEIPTS OVER(UNDER)</b>								
DISBURSEMENTS	-	-	-	-	562,998	492,670	735,596	45,939
<b>CASH BALANCES,</b>								
<b>JANUARY 1</b>	1,000	1,000	1,000	1,000	45,939	45,939	-	-
<b>CASH BALANCES,</b>								
<b>DECEMBER 31</b>	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 608,937	\$ 538,609	\$ 735,596	\$ 45,939

See notes to Financial Statements

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	SHERIFF'S REVOLVING FUND				COUNTY LAW ENFORCEMENT RESTITUTION FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>								
Charges for Services	\$ 4,000	\$ 3,340	\$ 3,000	\$ 6,847	\$ 10,000	\$ 14,229	\$ 14,000	\$ 11,242
TOTAL	4,000	3,340	3,000	6,847	10,000	14,229	14,000	11,242
<b>DISBURSEMENTS</b>								
Sheriff Expenses	7,900	2,232	1,900	4,219	-	-	-	-
Patrol Car Expenses	-	-	-	-	2,000	1,050	10,300	5,366
Supplies	-	-	-	-	2,000	5,090	-	297
TOTAL	7,900	2,232	1,900	4,219	4,000	6,140	10,300	5,663
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	(3,900)	1,108	1,100	2,628	6,000	8,089	3,700	5,579
CASH BALANCES, JANUARY 1	4,793	4,793	2,165	2,165	22,892	22,892	17,313	17,313
CASH BALANCES, DECEMBER 31	\$ 893	\$ 5,901	\$ 3,265	\$ 4,793	\$ 28,892	\$ 30,981	\$ 21,013	\$ 22,892

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	ADMINISTRATIVE HANDLING COSTS FUND			ELECTION SERVICES FUND		
	2021		2020	2021		2020
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>						
Charges for Services	\$ 496	\$ 712	\$ 700	\$ 3,725	\$ 1,524	\$ 5,000
Other	-	30	-	-	-	-
TOTAL	496	742	700	3,725	1,524	5,000
						34,195
<b>DISBURSEMENTS</b>						
Bad Check Fees	1,495	65	-	-	-	-
Salaries	-	-	1,577	-	-	-
Supplies				3,000	647	3,000
TOTAL	1,495	65	1,577	3,000	647	3,000
						30,087
RECEIPTS OVER(UNDER)	(999)	677	(877)	725	877	2,000
DISBURSEMENTS						4,108
CASH BALANCES, JANUARY 1	5,306	5,306	6,305	9,527	9,527	5,419
CASH BALANCES, DECEMBER 31	\$ 4,307	\$ 5,983	\$ 5,428	\$ 10,252	\$ 10,404	\$ 7,419
						\$ 9,527

See notes to Financial Statements

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	TAX MAINTENANCE FUND				TITLE III FUNDS			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>								
Charges for Services	\$ 11,842	\$ 10,449	\$ 10,971	\$ 10,842	\$ -	\$ -	\$ -	\$ -
Intergovernmental receipts	-	-	-	-	30,000	21,782	30,000	23,018
TOTAL	11,842	10,449	10,971	10,842	30,000	21,782	30,000	23,018
<b>DISBURSEMENTS</b>								
Supplies	22,586	6,802	6,600	22,035	-	-	-	-
Other	-	40	-	-	-	-	-	-
Title III to Subrecipient	-	-	-	-	-	-	30,000	668
TOTAL	22,586	6,842	6,600	22,035	-	-	30,000	668
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	(10,744)	3,607	4,371	(11,193)	30,000	21,782	-	22,350
CASH BALANCES, JANUARY 1	28,687	28,687	39,880	39,880	81,536	81,536	59,186	59,186
CASH BALANCES, DECEMBER 31	\$ 17,943	\$ 32,294	\$ 44,251	\$ 28,687	\$ 111,536	\$ 103,318	\$ 59,186	\$ 81,536

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	LEPC FUND				MATCHING GRANT FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>								
Intergovernmental receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,307	\$ -	\$ 2,099
Charges for Services	1,500	-	500	-	-	-	-	-
TOTAL	1,500	-	500	-	-	9,307	-	2,099
<b>DISBURSEMENTS</b>								
Miscellaneous	-	-	500	-	-	-	-	-
Supplies	-	-	-	-	25,000	25,839	-	38,550
TOTAL	-	-	500	-	25,000	25,839	-	38,550
RECEIPTS OVER(UNDER)	1,500	-	-	-	(25,000)	(16,532)	-	(36,451)
DISBURSEMENTS								
CASH BALANCES, JANUARY 1	31,798	31,798	31,798	31,798	165,326	165,326	201,777	201,777
CASH BALANCES, DECEMBER 31	\$ 33,298	\$ 31,798	\$ 31,798	\$ 31,798	\$ 140,326	\$ 148,794	\$ 201,777	\$ 165,326

See notes to Financial Statements



THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	SENATE BILL 40 FUND			
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>				
Property tax	\$ 140,000	\$ 158,580	\$ 155,000	\$ 262,265
TOTAL	140,000	158,580	155,000	262,265
<b>DISBURSEMENTS</b>				
Sheltered Workshop Expenses	140,000	153,465	156,000	287,743
TOTAL	140,000	153,465	156,000	287,743
RECEIPTS OVER(UNDER)				
DISBURSEMENTS	-	5,115	(1,000)	(25,478)
CASH BALANCES, JANUARY 1	15,472	15,472	40,950	40,950
CASH BALANCES, DECEMBER 31	\$ 15,472	\$ 20,587	\$ 39,950	\$ 15,472

See notes to Financial Statements

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
AGENCY FUNDS – REGULATORY BASIS  
AS OF DECEMBER 31, 2021

		Collector Accounts	Sheriff's Accounts	Law Library	Prosecuting Attorney	Overplus Fund	Capital School Fund	Ambulance Fund	School Fund	Unclaimed Fees Fund
<b>ASSETS</b>	Cash and Cash Equivalents	\$ 3,416,897	\$ 7,419	\$ -	\$ -	\$ 62,449	\$ 37,599	\$ 1	\$ -	\$ 1,781
	<b>TOTAL ASSETS</b>	3,416,897	7,419	-	-	62,449	37,599	1	-	1,781
<b>LIABILITIES</b>	Total Liabilities	3,416,897	7,419	-	-	62,449	37,599	1	-	1,781
	<b>TOTAL LIABILITIES</b>	\$ 3,416,897	\$ 7,419	\$ -	\$ -	\$ 62,449	\$ 37,599	\$ 1	\$ -	\$ 1,781
		Recorder Account	Healthcenter Fund	Sweetwater Cemetery	Country Retirement Fund	Library Fund	Sheltered Workshop	Senior Services	Tax Deposit	Total Agency Funds
<b>ASSETS</b>	Cash and Cash Equivalents	\$ 2,088	\$ -	\$ 2,784	\$ 6,195	\$ -	\$ 1	\$ -	\$ 26,197	\$ 3,563,410
	<b>TOTAL ASSETS</b>	2,088	-	2,784	6,195	-	1	-	26,197	3,563,410
<b>LIABILITIES</b>	Total Liabilities	2,088	-	2,784	6,195	-	1	-	26,197	3,563,410
	<b>TOTAL LIABILITIES</b>	\$ 2,088	\$ -	\$ 2,784	\$ 6,195	\$ -	\$ 1	\$ -	\$ 26,197	\$ 3,563,410

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
AGENCY FUNDS – REGULATORY BASIS  
AS OF DECEMBER 31, 2020

	Collector Accounts	Sheriff's Accounts	Law Library	Prosecuting Attorney	Overplus Fund	Capital School Fund	Ambulance Fund	School Fund	Unclaimed Fees Fund
<b>ASSETS</b>									
Cash and Cash Equivalents	\$ 2,636,906	\$ 2,059	\$ -	\$ -	\$ 62,665	\$ 5,093	\$ 1	\$ 45	\$ 1,816
<b>TOTAL ASSETS</b>	<u>2,636,906</u>	<u>2,059</u>	<u>-</u>	<u>-</u>	<u>62,665</u>	<u>5,093</u>	<u>1</u>	<u>45</u>	<u>1,816</u>
<b>LIABILITIES</b>									
Total Liabilities	2,636,906	2,059	-	-	62,665	5,093	1	45	1,816
<b>TOTAL LIABILITIES</b>	<u>\$ 2,636,906</u>	<u>\$ 2,059</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,665</u>	<u>\$ 5,093</u>	<u>\$ 1</u>	<u>\$ 45</u>	<u>\$ 1,816</u>
<b>ASSETS</b>									
Cash and Cash Equivalents	\$ 2,769	\$ -	\$ 3,200	\$ 6,067	\$ 2	\$ 1	\$ -	\$ 2,720,625	
<b>TOTAL ASSETS</b>	<u>2,769</u>	<u>1</u>	<u>3,200</u>	<u>6,067</u>	<u>2</u>	<u>1</u>	<u>-</u>	<u>2,720,625</u>	
<b>LIABILITIES</b>									
Total Liabilities	2,769	1	3,200	6,067	2	1	-	2,720,625	
<b>TOTAL LIABILITIES</b>	<u>\$ 2,769</u>	<u>\$ 1</u>	<u>\$ 3,200</u>	<u>\$ 6,067</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 2,720,625</u>	

See notes to Financial Statements

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Reynolds, Missouri ("County"), which is governed by a three-member board of commissioners, was established in 1845 by an Act of the Missouri Territory. In addition to the three Commissioners, there are ten elected Constitutional Officers: Assessor, County Clerk, Collector, Coroner, Treasurer, Circuit Clerk, Recorder of Deeds, Sheriff, Prosecuting Attorney, and Public Administrator.

As discussed further in Note I, these: financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

A. Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of the County.

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, transportation, economic development, and social and recreation services.

The financial statements referred to above include only the county of Reynolds County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity.

B. Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri law, which include a Comparative Statement of Receipts, Disbursements, and Changes in Cash Balances - All Governmental Funds, a Comparative Statement of Receipts and Disbursements - Budget and Actual - All Governmental Funds and Changes in Cash Balances, and a Statement of Assets and Liabilities Arising from Cash Transactions - Agency Funds.

Governmental resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts. The following fund types are used by the County:

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

B. Basis of Presentation (concluded)

*Governmental Fund Types*

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds. The measurement focus is upon the determination of and changes in financial position rather than upon net income.

*Fiduciary Fund Types*

*Agency* - Agency funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds or other governmental units. Agency funds are accounted for and reported similarly to governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of the results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other officeholders.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

As a result of using this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation bonds and obligations under

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

a. Basis of Accounting

capital leases) and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

b. Budget and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- i. In accordance with Chapter 50 RSMo, the County adopts a budget for each governmental fund.
- ii. On or before January 15th, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
- iii. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget included estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed the beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget-to-actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.
- iv. A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

b. Budget and Budgetary Accounting-continued

- v. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
- vi. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Adjustments made during the year are reflected in the budget information in the financial statements.
- vii. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.
- viii. Budgets are prepared and adopted on the cash basis of accounting. State law requires that budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. Section 50.740 RSMo prohibits expenditures in excess of the approved budgets.

II. PROPERTY TAXES

Property taxes attach as an enforceable lien on the property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1, of the following year.

The assessed valuation of the tangible taxable property, included within the County's boundaries for the calendar years 2020 and 2021, for purposes of taxation, was:

	2021	2020
Real Estate	\$134,455,597	\$ 133,657,702
Personal Property	35,586,311	33,762,936
Railroad and Utilities	7,459,954	7,288,781
Total	<u>\$177,501,862</u>	<u>\$ 174,709,419</u>

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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II. Property Taxes - continued

During 2021 and 2020, the County Commission approved a \$0.89 and \$0.88, respectively, tax levy per \$100 of assessed valuation of tangible taxable property, for purposes of County taxation, as follows:

	2021	2020
General Revenue Fund	\$ 0.3984	\$ 0.4127
Road and Bridge Fund	0.3500	0.3500
Senate Bill 40	0.1000	0.1000
Senior Services Fund	0.0300	0.0300
Total	<u>\$ 0.8784</u>	<u>\$ 0.8927</u>

III. Cash and Investments

Deposits and investments are stated at cost, which approximates the market. Cash balances for all the County Treasurer Funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the fund's average daily cash balances. Cash equivalents include repurchase agreements and any other instruments with an original maturity of 90 days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest-bearing obligations guaranteed as to both principal and interest by the United States, or time certificates of deposit, provided, however, that no such investment shall be purchased at a price in excess of par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash balances are presented in Note V.



THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
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IV. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are eliminated due to reporting the financial statements on the regulatory basis of accounting.

Legally required transfers are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

V. CASH AND INVESTMENTS

The County maintains a cash investment pool that is available for all funds. Each fund type's portion of this pool is displayed as "Cash" under each fund's caption. Deposits with maturities greater than three months are considered investments. In addition, cash is separately held by several of the County's funds.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2021, and 2020, the carrying amount of the County's deposits was \$7,468,006 and \$5,895,857, and the bank balances were \$7,607,289 and \$6,151,745, respectively. The total bank balances as of December 31, 2021, and December 31, 2020, were insured through the Federal Deposit Insurance Corporation and securities set by the County's financial institutions.

SUMMARY OF CARRYING VALUES

The carrying values of deposits shown above are included in the financial statements at December 31, 2021, as follows:

Statements of Receipts, Disbursements, and Changes in Cash Balances:

Deposits and Cash Equivalents	\$ 3,904,596
Total Governmental Funds	<u>3,904,596</u>

Statement of Assets and Liabilities Arising  
from Cash transactions - Agency Funds:

Deposits and Cash Equivalents	\$ 3,563,410
Total Agency Funds	<u>3,563,410</u>
Total Deposits and Cash Equivalents	<u><u>\$ 7,468,006</u></u>

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
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V. CASH AND INVESTMENTS -continued

The carrying values of deposits shown above are included in the financial statements at December 31, 2020, as follows:

Statements of Receipts, Disbursements, and Changes in Cash Balances:

Deposits and Cash Equivalents	\$ 3,175,232
Total Governmental Funds	<u>3,175,232</u>

Statement of Assets and Liabilities Arising  
from Cash transactions - Agency Funds:

Deposits and Cash Equivalents	\$ 2,720,625
Total Agency Funds	<u>2,720,625</u>
Total Deposits and Cash Equivalents	<u><u>\$ 5,895,857</u></u>

Custodial Credit Risk - Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the years ended December 31, 2021, and December 31, 2020.

Custodial Credit Risk - Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

THE COUNTY OF REYNOLDS  
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V. CASH AND INVESTMENTS -continued

The concentration of Investment Credit Risk

The concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government). The County has no policy in place to minimize the risk of loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. The County's investments were not exposed to a concentration of investment credit risk for the years ended December 31, 2021, and 2020.

VI. INTERFUND TRANSFERS

There were no transfers made for the years ending December 31, 2021, and 2020.

VII. COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

A. Plan Description

CERF was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of eleven members, nine of whom are county employee participants. Two members, who have no beneficiary interest in CERF, are appointed by the Governor of Missouri. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF is a mandatory cost-sharing multiple employer retirement system for each county in the state of Missouri, except any city not within a county (which excludes the City of St. Louis) and counties of the first classification with a charter form of government. CERF covers county elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first-class, non-charter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, county prosecuting attorneys, and county sheriffs. Until January 1, 2000, employees hired before January 1, 2000, could opt out of the system.

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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VII. COUNTY EMPLOYEES' RETIREMENT FUND (CERF) - continued

B. Plan Description

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life-based on the form of payment selected. The normal form of payment is a single-life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost-of-living adjustments, not to exceed 1%, are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of CERF are paid out of the funds of the system.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-573-632-9203.

C. Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to make contributions of 2% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Total contributions remitted to CERF for the years ended December 31, 2021, and 2020 were \$144,735.76 and \$134,916.37 respectively.

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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VIII. POST-EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County. The County did not have any COBRA participants at December 31, 2021, and December 31, 2020.

IX. PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Section 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for the administration of this plan. The County has contributed \$3,366.00 and \$3,646.50, respectively, for the years, ended December 31, 2021, and 2020.

X. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

The County was involved in pending litigation as of the audit report date. The County's attorneys are vigorously defending the County in these matters. County management believes that such litigation and claims will ultimately be resolved without material financial liability, if any, to the County.

B. Compensated Absences

The County provides employees with up to four weeks of paid vacation based on the number of years of continuous service. This ranges from getting one week after the first year of service, and four weeks after fifteen years of service. Upon termination from county employment, an employee is reimbursed for unused vacation and overtime, if applicable. County employees receive two personal days when they start, after one year they get six days. An employee is not reimbursed for an unused personal time upon termination of employment. These have not been subjected to auditing procedures.

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

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XI. CLAIMS COMMITMENTS AND CONTINGENCIES - continued

C. Federal and State-Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in refunding of grant monies to the grantor agencies. Management believes that any required refunds if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

XII. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. Insurance is obtained from commercial insurance companies. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participating in a public entity risk pool which is a corporate and political body created pursuant to state statute (Section 537.700 RSMo). The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet their obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

XIII. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2021, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 13, 2023, the date the financial statements were be available issued. o There were no subsequent events report as of the audit report date.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS*

To the County Commission and  
Officeholders of Reynolds County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Reynolds County, which comprise the Statement of Receipts, Disbursements, and Changes in Cash Balances – Governmental Funds – Regulatory Basis and the Statements of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2020, and 2021, and the related Statement of Receipts, Disbursements, and Changes in Cash Balances – Budget and Actual – Governmental Funds – Regulatory Basis as of and for the years ended December 31, 2020, and 2021, and the related notes to the financial statements, which collectively comprise the County's basis financial statement, and have issued our report thereon dated March 13, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Reynolds County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Reynolds County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Reynolds County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2020 & 2021-001 that we consider to be significant deficiency.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
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FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS* - continued

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Reynolds County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2021 & 2020-001.

**Reynolds County, Missouri's Response to Findings**

*Government Auditing Standards* require the auditor to perform limited procedures on Reynolds County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Reynolds County, Missouri's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
March 13, 2023



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE

To the County Commissioner  
Reynolds County, Missouri

**Report on Compliance for Each Major Federal Program*****Opinion on Each Major Federal Program***

We have audited Reynolds County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Reynolds County, Missouri's major federal programs for the year ended December 31, 2021, and 2020. Reynolds County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Reynolds County, Missouri complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on *ALN 21.019 Coronavirus Relief Fund* for the year ended December 31, 2021, and 2020.

***Basis for Opinions***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in Auditor's Responsibilities for the Audit of the Compliance section of our report.

We are required to be independent of Reynolds County, Missouri, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Reynolds County, Missouri's compliance with the compliance requirements referred to above.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE-*continued*

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grants agreements applicable to Reynolds County, Missouri's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Reynolds County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Reynolds County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Reynolds County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Reynolds County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Reynolds County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE-*continued*

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
March 13, 2023

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Total Federal Expenditures	Amount Sent to Subrecipients
20.205	U. S. DEPARTMENT OF TRANSPORTATION Passed through State: Highway and Transportation Commission - Highway Planning and Const.	BRO - B0009(009)	444,470	-
21.019	United States Department of Treasury Direct programs: Coronavirus Relief Fund	N/A	119,374	8,808
TOTAL			<u>\$ 563,844</u>	<u>\$ 8,808</u>

See notes to the schedule of expenditures of federal awards

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Total Federal Expenditures	Amount Sent to Subrecipients
U. S. DEPARTMENT OF AGRICULTURE				
	Passed through state:			
	Office of Administration -			
10.665	Schools	R1, R2, R3	\$ 182,114	182,114
10.665	Title III Project	N/A	23,018	23,018
10.665	Road & Bridge	FR-2018-18	60,705	60,705
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
	Passed through state:			
	Department of Economic Development -			
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	B-16-DC-29-001	32,560	-
	Department of Interior			
15.226	PILT ( payment in lieu of taxes)	P.L.116-94	213,497	-
U.S. DEPARTMENT OF JUSTICE				
	Passed through:			
	State Department of Public Safety -			
16.575	Crime Victim Assistance	2017-VA-GX-0035	41,340	-
	Missouri Sheriffs' Association -			
12.U01	Corp Deputy	W9127S20P0101	16,159	-
12.U01	Forest Meth	18-LE-11090500-031	2,775	-
U. S. DEPARTMENT OF TRANSPORTATION				
	Passed through state:			
	Highway and Transportation Commission -			
20.205	Highway Planning and Const.	BRO - B0009(009)	295,016	-
20.607	DWI Enforcement Grants	19-154-AL-131	560	-
UNITED STATES DEPARTMENT OF TREASURY				
	Direct programs:			
21.019	Coronavirus Relief Fund	N/A	693,610	286,939
ELECTION ASSISTANCE COMMISSION				
	Passed through the Office of Secretary of State -			
90.404	HAVA Cares Grant 2020	N/A	9,714	-
TOTAL			\$ 1,571,067	552,775

See notes to the schedule of expenditures of federal awards

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEARS ENDED DECEMBER 31, 2020

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the County of Reynolds under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Reynolds, it is not intended to and does not present the financial position, changes in net assets, or cash flows, of the County of Reynolds.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 – INDIRECT COST RATE**

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4 – SUBRECIPIENTS**

During the year ended December 31, 2021 the County provided \$8,808 in federal awards to sub-recipients for the Schools Grants to States under Federal Assistance Listing Number 21.019.

During the year ended December 31, 2020, the County provided \$265,836, in federal awards to sub-recipients for the Schools, Title III Project and Roads – Grants to States under Federal Assistance Listing Number 10.665 and \$286,939, in federal awards to sub-recipients for the Schools Grants to States under Federal Assistance Listing Number 21.019.

**NOTE 5 – DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (Unaudited)**

The County received donated face masks, hand sanitizer, protective gloves and disinfected wipes from the State of Missouri during 2021 and 2020.

## I. SUMMARY OF AUDITOR'S RESULT

1. Type of Auditor's report issued: Qualified – Regulatory Basis

- a. Material Weakness(es) identified?

2021	Yes	<u>    </u>	No	$\frac{\sqrt{\quad}}{\quad}$
2020	Yes	<u>    </u>	No	$\frac{\sqrt{\quad}}{\quad}$

- b. Significant deficiency(ies) identified?

2021 Yes √ No —  
2020 Yes √ No —

3. Noncompliance material to financial statements noted?

$$\frac{2021}{2020} \frac{\text{Yes}}{\text{Yes}} \frac{\text{No}}{\text{No}} \frac{\sqrt{\quad}}{\sqrt{\quad}}$$

1. Internal control over major federal programs:

- a. Material weakness(es) identified?

2021	Yes	<u>    </u>	No	$\frac{\sqrt{\quad}}{\quad}$
2020	Yes	<u>    </u>	No	$\frac{\sqrt{\quad}}{\quad}$

- b. Significant deficiency(ies) identified?

2021 Yes        No  $\frac{\sqrt{\quad}}{\quad}$   
2020 Yes        No  $\frac{\sqrt{\quad}}{\quad}$

2. Type of auditor's report issued on compliance for Major program:

2021 Unmodified  
2020 Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with section 2CFR 200.516(a)?

2021 Yes          No           $\frac{\sqrt{}}{\sqrt{}}$   
 2020 Yes          No           $\frac{\sqrt{}}{\sqrt{}}$

- #### 4. Identification of Major Federal Program

<i>Name Federal Program or Cluster Title</i>	ALN Number	Expenditures
Coronavirus Relief Fund	21.019	693,610

5. Dollar threshold used to distinguish between type A and Type B programs \$ 750,000

6. Auditee qualified as a low-risk auditee?

2021 Yes \_\_\_\_\_ No  $\sqrt{\quad}$   
2020 Yes \_\_\_\_\_ No  $\sqrt{\quad}$

THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2021 and 2020

## II. FINANCIAL STATEMENT FINDINGS

### **Significant Deficiency and Noncompliance**

#### **2021 & 2020-001: Budgetary Policies Noncompliance**

**Condition:** During our audit for December 2021 and 2020, we noted the following budgetary noncompliance:

1. The County did not allocate a budget for the Matching grant in 2020 (*repeat finding in 2019*), and FEMA fund for the year 2021 and 2020 (*repeat finding in 2019*).
2. The County actual expenditures exceeded the budget for the following funds:
  - a. Inmate Security Fund -(2020 & 2021)
  - b. Senior Services Fund - (2020)
  - c. Sherriff's Civil Fee Fund- (2020)
  - d. Senate Bill 40 Fund – (2021 and 2020)
  - e. Sherriff's Revolving Fund- (2020)
  - f. County Law Enforcement Restitution Fund- (2021)
  - g. Election Services Fund – (2020)
  - h. Tax Maintenance Fund- (2020)
  - i. Matching Grant Fund- (2021)
  - j. COVID-19 ARPA Fund (2021 & 2020)

#### **Criteria:**

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund. Adoption of a formal budget is required by law.
2. Section 50.740 RSMo prohibits expenditures in excess of approved budget.

**Cause:** There is a significant deficiency in the budgetary system in the County. In addition, the County has poor budgetary control.

**Effect:** These conditions were a violation of the budgetary policies. These will lead to overspending of funds and misappropriation of assets.

**Recommendation:** We recommend that the County strictly adheres to the internal budgetary control procedures and the statutory requirements established for the State of Missouri. It is also recommended that the budgetary system be regularly reviewed.

**Management Response:** Going forward our office will have better records of any and all amendments made. See page 44 to see more on client response.



THE COUNTY OF REYNOLDS  
CENTERVILLE, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

**II. FEDERAL AWARD FINDINGS AND QUESTIONED COST**

There were no Federal Award Findings and Questioned Costs for the year ended December 31, 2021 and 2020.

REYNOLDS COUNTY, MISSOURI  
SCHEDULE OF PRIOR YEARS' FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2021, and 2020

- A. For the year ending December 31, 2019, the Matching Grant Fund did not have a budget. – UNRESOLVED
- B. For the year ending December 31, 2018, the FEMA fund did not have a budget. This was mandated by FEMA to have a non-interest-bearing account to receive FEMA funds late in the year. This money was, however, budgeted under the Special Road and Bridge Fund. – UNRESOLVED.
- C. For the year ending December 31, 2018, the Title III fund did not have a budget prepared. - RESOLVED

# Alicia Baker

Clerk of the County Court Reynolds County

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Email: [reynolds@sos.mo.gov](mailto:reynolds@sos.mo.gov)

*Cheryl White*  
*Deputy Clerk*

*Donelle Santhuff*  
*Secretary*

## Management Response on Findings 2021 & 2020-002: Budgetary Policies Noncompliance

- 1) The county opened a matching grant fund and took \$100,000.00 from County Revenue and \$100,000.00 from Road & Bridge. The funds are not used until a grant has been approved. Covid 19/Cares Act Funds was received May 2020 and there was no budget amended for the income. In 2021 the county amended the budget on the income in the amount of \$608,937.00 and the expense amount of \$345,938.71. For 2021 there was no FEMA funds. In 2020 the county received income of \$1,535,084.43 for the 2019 floods.
  - 2) a: Inmate security fund should have been amended/county over spent in 2020 \$7570.91 & in 2021 \$3,010.25 b: Senior Services fund received \$669.57 more than estimated.  
c: The county over spent \$245.77  
d: The Senate Bill 40 for 2021 income was \$18,673.62 more than budgeted.  
e: The Sheriff's Revolving Fund was over budgeted \$2319.25  
f: The county restitution fund 2021 was under budgeted \$21.40  
g: The election services fund we received for 2020 \$34,194.67 and with expended \$30,086.73. In May of 2020 we received \$29,213.48 for the Mo Cares Act and we actually refunded \$19,499.34 back to the Secretary of States Office.  
h: on the Tax Maintenance fund we were under budget \$14.21 for 2020.  
i: On the matching grant fund we budgeted \$25,000 and we spent \$25,838.80 over spending by \$838.80.
- Also see attached budget amendments and commission court records.
- Going forward our office will take better records of any and all amendments made.

*Alicia Baker*  
Reynolds County Clerk



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Gasconade County, Missouri

The Office of the State Auditor contracted for an audit of Gasconade County's financial statements for the year ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by CR Williams & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized with a large, flowing "S" and a clear, legible "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

March 2023  
Report No. 2023-015

GASCONADE COUNTY, MISSOURI  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021

PREPARED BY:  
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## GASCONADE COUNTY, MISSOURI

### List of Elected Officials 2021

#### *County Commission*

Presiding Commissioner  
Commissioner, Northern District  
Commissioner, Southern District

Larry Miskel  
Jim Holland  
Jerry Lairmore

#### *Other Elected Officials*

Assessor  
Circuit Clerk Court/Ex Officio Recorder  
Collector  
County Clerk  
Coroner  
Prosecuting Attorney  
Public Administrator  
Sheriff  
Surveyor  
Treasurer

Paul Schulte  
Pamela R. Greunke  
Shawn Schlottach  
Lesa Lietzow  
Jeffrey Arnold  
Mary Weston  
Kelly Brehe Thomas  
Scott Eiler  
Vincent Klott  
Michael Feagan

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## INDEPENDENT AUDITOR'S REPORT

To the County Commission and Officeholders of  
Gasconade County, Missouri

### **Unmodified and Adverse Opinion**

We have audited the accompanying financial statements of Gasconade County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash - All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash - Regulatory Basis as of December 31, 2021, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual Regulatory Basis for the year then ended, and the related notes to the financial statements.

### **Unmodified Opinions on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the Statement of Receipts, Disbursements and Changes in Cash - All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash - Regulatory Basis as of December 31, 2021, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual Regulatory Basis for the year then ended, in accordance with the financial reporting provisions of Missouri Law described in Note 1.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2021 or changes in net position and cash flows thereof for the year then ended.

### **Basis for Unmodified and Adverse Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gasconade County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## INDEPENDENT AUDITOR'S REPORT- (continued)

### *Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Missouri Law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Gasconade County, Missouri's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

## INDEPENDENT AUDITOR'S REPORT- (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Gasconade County, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gasconade County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2023, on our consideration of Gasconade County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Gasconade County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gasconade County, Missouri's internal control over financial reporting and compliance.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
March 3, 2023

**GASCONADE COUNTY, MISSOURI**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR YEAR ENDED DECEMBER 31, 2021**

<b>Fund</b>	<b>Cash and Cash Equivalents December 31, 2020</b>	<b>Receipts 2021</b>	<b>Disbursements 2021</b>	<b>Cash and Cash Equivalents December 31, 2021</b>
General Revenue	\$ 335,928	\$ 2,450,647	\$ 2,328,707	\$ 457,868
Special Road and Bridge	407,240	2,414,167	2,430,660	390,747
Assessment	607,758	286,618	366,304	528,072
Union Electric Standard Operating Procedure	42,361	50,849	49,542	43,668
Law Enforcement Training	574	1,160	747	987
Prosecuting Attorney Training	1,529	831	-	2,360
Admin Handling Cost	35,868	1,230	617	36,481
Courthouse Restoration	10,865	1,754	1,680	10,939
Sheriff Revolving CCW Fee	25,579	12,006	6,628	30,957
Family Service & Justice	1,799	2,523	-	4,322
Recorder's Technology	2,563	5,464	4,150	3,877
Election Services	13,129	6,385	14,047	5,467
Victims of Domestic Violence	231	509	500	240
Recorder's Retention of Records	73,592	25,895	34,222	65,265
Inmate Security	2,220	1,271	-	3,491
Tax Maintenance	87,636	23,567	15,896	95,307
American Rescue Plan Act	-	1,431,231	2,997	1,428,234
CARES Act	65,604	1,848	67,452	-
Community Mental Health	238,387	201,102	184,170	255,319
Sheriffs Department Law Enforcement	34,316	23,494	9,475	48,335
<b>TOTAL</b>	<b>\$ 1,987,179</b>	<b>\$ 6,942,551</b>	<b>\$ 5,517,794</b>	<b>\$ 3,411,936</b>

See notes to financial statements

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET**  
**AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>General Revenue Fund</b>	
	<b>BUDGET</b>	<b>ACTUAL</b>
<b>NET CASH AVAILABLE, BEGINNING</b>	<b>\$ 335,928</b>	<b>\$ 335,928</b>
<b>RECEIPTS</b>		
<b>PROPERTY TAX</b>	439,500	425,540
<b>SALES TAX</b>	1,300,000	1,402,905
<b>INTERGOVERNMENTAL REVENUES</b>	55,960	33,941
<b>CHARGES FOR SERVICES</b>	437,700	425,139
<b>INTEREST</b>	23,300	10,518
<b>OTHER/MISCELLANEOUS</b>	384,060	35,792
<b>TRANSFERS IN</b>	122,000	116,812
<b>TOTAL RECEIPTS</b>	<b>2,762,520</b>	<b>2,450,647</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>3,098,448</b>	<b>2,786,575</b>
<b>DISBURSEMENTS</b>		
<b>SALARIES AND EMPLOYEES FRINGE BENEFITS</b>	1,445,505	1,366,403
<b>EQUIPMENT</b>	59,818	54,988
<b>IMPROVEMENT &amp; REPAIRS</b>	58,500	37,639
<b>OFFICE</b>	881,219	811,642
<b>TRAINING</b>	15,800	14,355
<b>PROFESSIONAL FEES</b>	2,000	2,408
<b>EMERGENCY FUND</b>	71,939	-
<b>OTHER/MISCELLANEOUS</b>	30,141	41,272
<b>TOTAL DISBURSEMENTS</b>	<b>2,564,922</b>	<b>2,328,707</b>
<b>NET CASH AVAILABLE, ENDING</b>	<b>\$ 533,526</b>	<b>\$ 457,868</b>

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET**  
**AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Special Road and Bridge Fund</b>	
	<b>BUDGET</b>	<b>ACTUAL</b>
<b>NET CASH AVAILABLE, BEGINNING</b>	<b>\$ 407,240</b>	<b>\$ 407,240</b>
<b>RECEIPTS</b>		
<b>PROPERTY TAX</b>	708,377	664,286
<b>SALES TAX</b>	780,000	841,743
<b>INTERGOVERNMENTAL REVENUES</b>	1,134,527	717,632
<b>INTEREST</b>	5,000	3,696
<b>OTHER/MISCELLANEOUS</b>	730,957	186,810
<b>TOTAL RECEIPTS</b>	<b>3,358,861</b>	<b>2,414,167</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>3,766,101</b>	<b>2,821,407</b>
<b>DISBURSEMENTS</b>		
<b>SALARIES AND EMPLOYEES FRINGE BENEFITS</b>	688,392	631,446
<b>IMPROVEMENT &amp; REPAIRS</b>	2,347,300	1,669,634
<b>OFFICE</b>	17,590	15,127
<b>TRANSFERS OUT</b>	120,000	114,453
<b>TOTAL DISBURSEMENTS</b>	<b>3,173,282</b>	<b>2,430,660</b>
<b>NET CASH AVAILABLE, ENDING</b>	<b>\$ 592,819</b>	<b>\$ 390,747</b>

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Assessment Fund		Union Electric Standard Operating Procedure Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ 607,758	\$ 607,758	\$ 42,361	\$ 42,361
RECEIPTS				
INTERGOVERNMENTAL REVENUES	259,400	278,163	-	-
CHARGES FOR SERVICES	1,500	2,030	-	-
INTEREST	3,500	3,403	300	349
OTHER/MISCELLANEOUS	1,500	3,022	50,000	50,500
TOTAL RECEIPTS	265,900	286,618	50,300	50,849
TOTAL FUNDS AVAILABLE	873,658	894,376	92,661	93,210
DISBURSEMENTS				
SALARIES AND EMPLOYEES FRINGE BENEFITS	264,411	211,495	24,759	23,862
OFFICE	127,900	154,809	30,900	23,321
TRANSFERS OUT	-	-	2,000	2,359
TOTAL DISBURSEMENTS	392,311	366,304	57,659	49,542
NET CASH AVAILABLE, ENDING	\$ 481,347	\$ 528,072	\$ 35,002	\$ 43,668

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Law Enforcement Training Fund		Prosecuting Attorney Training Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ 574	\$ 574	\$ 1,529	\$ 1,529
RECEIPTS				
CHARGES FOR SERVICES	600	654	700	820
INTEREST	8	6	7	11
OTHER/MISCELLANEOUS	500	500	-	-
TOTAL RECEIPTS	1,108	1,160	707	831
TOTAL FUNDS AVAILABLE	1,682	1,734	2,236	2,360
DISBURSEMENTS				
TRAINING	1,600	747	700	-
TOTAL DISBURSEMENTS	1,600	747	700	-
NET CASH AVAILABLE, ENDING	\$ 82	\$ 987	\$ 1,536	\$ 2,360

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Admin Handling Cost Fund		Courthouse Restoration Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ 35,868	\$ 35,868	\$ 10,865	\$ 10,865
RECEIPTS				
CHARGES FOR SERVICES	1,500	1,047	-	-
INTEREST	200	183	60	55
OTHER/MISCELLANEOUS	-	-	5,000	1,699
TOTAL RECEIPTS	1,700	1,230	5,060	1,754
TOTAL FUNDS AVAILABLE	37,568	37,098	15,925	12,619
DISBURSEMENTS				
COURTHOUSE REMODEL	-	-	15,000	1,680
OTHER/MISCELLANEOUS	5,200	617	-	-
TOTAL DISBURSEMENTS	5,200	617	15,000	1,680
NET CASH AVAILABLE, ENDING	\$ 32,368	\$ 36,481	\$ 925	\$ 10,939

See notes to financial statements.



**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Sheriff Revolving CCW Fee Fund		Family Service & Justice Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ 25,579	\$ 25,579	\$ 1,799	\$ 1,799
RECEIPTS				
CHARGES FOR SERVICES	9,000	11,862	3,300	2,507
INTEREST	150	144	40	16
TOTAL RECEIPTS	9,150	12,006	3,340	2,523
TOTAL FUNDS AVAILABLE	34,729	37,585	5,139	4,322
DISBURSEMENTS				
OFFICE	20,000	3,715	500	-
PROFESSIONAL FEES	-	-	4,500	-
OTHER/MISCELLANEOUS	2,500	2,913	-	-
TOTAL DISBURSEMENTS	22,500	6,628	5,000	-
NET CASH AVAILABLE, ENDING	\$ 12,229	\$ 30,957	\$ 139	\$ 4,322

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Recorder's Technology Fund		Election Services Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ 2,563	\$ 2,563	\$ 13,129	\$ 13,129
RECEIPTS				
CHARGES FOR SERVICES	5,400	5,446	3,375	3,993
INTEREST	35	18	40	61
OTHER/MISCELLANEOUS	-	-	1,800	2,331
TOTAL RECEIPTS	5,435	5,464	5,215	6,385
TOTAL FUNDS AVAILABLE	7,998	8,027	18,344	19,514
DISBURSEMENTS				
EQUIPMENT	-	-	9,500	7,671
SOFTWARE	5,910	4,150	-	-
OFFICE	-	-	1,000	740
TRAINING	2,000	-	-	719
OTHER/MISCELLANEOUS	-	-	5,000	4,917
TOTAL DISBURSEMENTS	7,910	4,150	15,500	14,047
NET CASH AVAILABLE, ENDING	\$ 88	\$ 3,877	\$ 2,844	\$ 5,467

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Victims of Domestic Violence Fund		Recorder's Retention of Records Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ 231	\$ 231	\$ 73,592	\$ 73,592
RECEIPTS				
CHARGES FOR SERVICES	550	505	25,000	25,505
INTEREST	4	4	350	390
TOTAL RECEIPTS	554	509	25,350	25,895
TOTAL FUNDS AVAILABLE	785	740	98,942	99,487
DISBURSEMENTS				
EQUIPMENT	-	-	25,000	-
SOFTWARE	-	-	13,790	34,222
OFFICE	600	500	-	-
TOTAL DISBURSEMENTS	600	500	38,790	34,222
NET CASH AVAILABLE, ENDING	\$ 185	\$ 240	\$ 60,152	\$ 65,265

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Inmate Security Fund		Tax Maintenance Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ 2,220	\$ 2,220	\$ 87,636	\$ 87,636
RECEIPTS				
CHARGES FOR SERVICES	1,000	1,256	24,293	23,032
INTEREST	10	15	450	535
TOTAL RECEIPTS	1,010	1,271	24,743	23,567
TOTAL FUNDS AVAILABLE	3,230	3,491	112,379	111,203
DISBURSEMENTS				
EQUIPMENT	1,500	-	-	-
IMPROVEMENT & REPAIRS	-	-	24,000	4,706
SOFTWARE	-	-	16,000	9,918
OFFICE	-	-	26,150	156
TRAINING	-	-	500	-
PROFESSIONAL FEES	-	-	2,000	300
OTHER/MISCELLANEOUS	-	-	-	816
TOTAL DISBURSEMENTS	1,500	-	68,650	15,896
NET CASH AVAILABLE, ENDING	\$ 1,730	\$ 3,491	\$ 43,729	\$ 95,307

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	American Rescue Plan Act Fund		CARES Act Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ -	\$ -	\$ 65,604	\$ 65,604
RECEIPTS				
INTERGOVERNMENTAL REVENUES	1,428,234	1,428,234	-	-
INTEREST	10,000	2,997	180	164
OTHER/MISCELLANEOUS	-	-	1,684	1,684
TOTAL RECEIPTS	1,438,234	1,431,231	1,864	1,848
TOTAL FUNDS AVAILABLE	1,438,234	1,431,231	67,468	67,452
DISBURSEMENTS				
CONSTRUCTION & REPAIRS	1,328,234	-	-	-
OFFICE	-	-	67,468	67,452
OTHER/MISCELLANEOUS	100,000	2,997	-	-
TOTAL DISBURSEMENTS	1,428,234	2,997	67,468	67,452
NET CASH AVAILABLE, ENDING	\$ 10,000	\$ 1,428,234	\$ -	\$ -

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Community Mental Health Fund		Sheriffs Department Law Enforcement Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE, BEGINNING	\$ 238,387	\$ 238,387	\$ 34,316	\$ 34,316
RECEIPTS				
PROPERTY TAX	-	200,913	-	-
CHARGES FOR SERVICES	-	-	22,500	16,736
INTEREST	-	189	250	209
OTHER/MISCELLANEOUS	-	-	5,000	6,549
TOTAL RECEIPTS	-	201,102	27,750	23,494
TOTAL FUNDS AVAILABLE	238,387	439,489	62,066	57,810
DISBURSEMENTS				
EQUIPMENT	-	-	20,000	-
OFFICE	-	-	3,000	-
TRAINING	-	-	2,500	8,435
MENTAL SERVICES	200,000	182,460	-	-
OTHER/MISCELLANEOUS	18,860	1,710	5,000	1,040
TOTAL DISBURSEMENTS	218,860	184,170	30,500	9,475
NET CASH AVAILABLE, ENDING	\$ 19,527	\$ 255,319	\$ 31,566	\$ 48,335

See notes to financial statements.

**GASCONADE COUNTY, MISSOURI**  
**STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS**  
**AGENCY FUNDS - REGULATORY BASIS**  
**AS OF DECEMBER 31, 2021**

	Sheriff Dep Salary Supplementation	Surplus Tax	Unclaimed Fees	School Fines & Forfeitures	School Bldg Revolving Loan	City Intangibles	School Districts	Ambulance Districts		
<b>ASSETS</b>										
Cash and Cash Equivalents	\$ 400	\$ 16,418	\$ 411	\$ 12,155	\$ 550	\$ 268	\$ 2,721	\$ 82		
Total Assets	400	16,418	411	12,155	550	268	2,721	82		
<b>LIABILITIES AND FUND BALANCES</b>										
TOTAL LIABILITIES	400	16,418	411	12,155	550	268	2,721	82		
<b>TOTAL LIABILITIES AND FUND BALANCES</b>										
	400	16,418	411	12,155	550	268	2,721	82		

	Fire Districts	Morrison Levee District	Hermann Area District Hospital	Gasconade County Health Department	Scenic Regional Library	Gasc Manor Nursing Home District	County Employees Retirement	Total Agency Funds		
<b>ASSETS</b>										
Cash and Cash Equivalents	\$ 19	\$ 20	\$ 207	\$ 63	\$ 129	\$ 55	\$ 3,290	\$ 36,788		
Total Assets	19	20	207	63	129	55	3,290	36,788		
<b>LIABILITIES AND FUND BALANCES</b>										
TOTAL LIABILITIES	19	20	207	63	129	55	3,290	36,788		
<b>TOTAL LIABILITIES AND FUND BALANCES</b>										
	19	20	207	63	129	55	3,290	36,788		

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Gasconade, Missouri ("County"), which is governed by a three-member board of commissioners, was established in 1820 by an Act of the Missouri Territory. In addition to the three Commissioners, there are 10 elected Constitutional Officers: Assessor, County Clerk, Collector, Coroner, Treasurer, County Surveyor, Circuit Clerk/Recorder of Deeds, Sheriff, Public Administrator and Prosecuting Attorney.

As discussed further in Note I, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

A. Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present the financial accountability of the County.

The County's operations include tax assessments and collections, state/county courts, county recorder, police protection, transportation, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include only the primary government of Gasconade County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the County's legally separate component unit, in accordance with accounting principles generally accepted in the United States of America, as applicable to the regulatory basis of accounting, the Gasconade County Senate Bill 40 Board has issued separate reporting entity audited financial statements.

The County is also responsible for appointing a majority of the members of the board of the Community Mental Health Services Board but the County's accountability for this organization does not extend beyond making appointments.

B. Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which include a Statement of Receipts, Disbursements and Changes in Cash Balances – All Governmental Funds, Statement of Receipts, Disbursements and Changes in Cash Balances – Budget and Actual – All Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Agency Funds.



THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (concluded)

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts. The following fund types are used by the County:

**Governmental Fund Types**

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

**Fiduciary Fund Types**

*Agency* – Agency funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units. Agency funds are accounted for and reported similar to the governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other officeholders.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

As a result of the use of this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation bonds and obligations under capital leases) and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting (continued)

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

D. Budget and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50 RSMo, the County adopts a budget for each governmental fund.
2. On or before January 15th, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget included estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.
4. A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.
5. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
6. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget information in the financial statements.

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budget and Budgetary Accounting (continued)

Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.

7. Budgets are prepared and adopted on the cash basis of accounting.

State law requires that budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. Section 50.740 RSMo prohibits expenditures in excess of the approved budget.

E. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1, of the following year.

The assessed valuation of the tangible taxable property, included within the County's boundaries for the calendar year 2021 for purposes of taxation, was:

	<u>2021</u>
Real Property	\$ 179,377,680.00
Personal Property	61,248,244.00
Railroad and Utilities	<u>32,801,391.00</u>
	<u><u>\$ 273,427,315.00</u></u>

During 2021, the County Commission approved a \$0.3935 tax levy per \$100 of assessed valuation of tangible taxable property, for purposes of County taxation, as follows:

	<u>2021</u>
General Revenue Fund	\$ 0.1394
Special Road and Bridge Fund	<u>\$ 0.2541</u>
	<u><u>\$ 0.3935</u></u>

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer Funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest-bearing obligations guaranteed as to both principal and interest by the United States, or time certificates of deposit, provided, however, that no such investment shall be purchased at a price in excess of par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash balances are presented in Note II.

G. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are eliminated due to reporting the financial statements on the regulatory basis of accounting. Legally required transfers are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

II. DEPOSITS AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Deposits with maturities greater than three months are considered investments. Each fund type's portion of this pool is displayed as "Cash" under each fund's caption. In addition, cash is separately held by several of the County's funds.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2021, the carrying amount of the County's deposits and investments was \$3,156,616, and the bank balance was \$3,193,404. The total bank balance as of December 31, 2021, was insured through the Federal Deposit Insurance Corporation and securities set by the County's financial institutions.

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

II. DEPOSITS AND INVESTMENTS (continued)

SUMMARY OF CARRYING VALUES

The carrying values of deposits shown above are included in the financial statements at December 31, 2021, as follows:

Statements of Receipts, Disbursements and Changes in Cash Balances

Deposits and cash equivalents	\$ 3,411,936.00
Total Governmental Funds	<u>3,411,936.00</u>

Statements of Assets and Liabilities Arising from Cash Transactions-  
Agency Funds

Deposits and cash equivalents	\$ 36,788.00
Total Agency Funds	<u>36,788.00</u>
Total Deposits as of December 31, 2021	<u><u>\$ 3,448,724.00</u></u>

Custodial Credit Risk – Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the year ended December 31, 2021.

Custodial Credit Risk – Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

II. DEPOSITS AND INVESTMENTS (continued)

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities. The County's deposits were not exposed to concentration of investment credit risk for the year ended December 31, 2021.

III. LOANS PAYABLE

On September 14, 2017, the County entered into a loan agreement with Peoples Savings Bank of Rhineland in the amount of \$488,000.00, with a 2% interest rate. This loan was renewed on February 1, 2021. The principal balance renewed was \$219,722.67 and to mature on February 1, 2022. During 2021, the County made payments to principal and interest amounting \$76,013. Subsequently, it was renewed on February 1, 2022, and paid off completely on December 20, 2022.

The loan proceeds were used to replace the roof on the County Courthouse. These payments were made from the General Revenue Fund.

IV. OPERATING LEASES

On February 6, 2020, the Gasconade County Sheriff's office entered into an operating lease with Marco Technologies LLC for two copiers. The lease requires a monthly payment of \$189.72 per month for a term of 60 months. The lease expires in February 2025.

On September 9, 2019, the Gasconade County Emergency Management entered into an operating lease with Marco Technologies LLC for a copier. The lease requires a monthly payment of \$88.52 per month for a term of 60 months. The lease expires in September 2024.

The future payments for the operating lease as of December 31, 2021, are as follows:

Year Ending December 31,	Rental Payments
2022	\$ 3,338.88
2023	3,338.88
2024	3,073.32
2025	379.44
	<u>\$ 10,130.52</u>

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

V. INTERFUND TRANSFER

Transfers between funds for the year ended December 31, 2021, are as follows:

	2021	
	TRANSFERS IN	TRANSFERS OUT
General Revenue Fund	\$ 116,812.00	\$ -
Special Road and Bridge Fund	-	114,453.00
Union Electric SOP Fund	-	2,359.00
TOTAL	\$ 116,812.00	\$ 116,812.00

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VI. COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

A. Plan Description

CERF was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of eleven members, nine of whom are county employee participants. Two members, who have no beneficiary interest in CERF, are appointed by the Governor of Missouri. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF is a mandatory cost-sharing multiple-employer retirement system for each county in the state of Missouri, except any city not within a county (which excludes the City of St. Louis) and counties of the first classification with a charter form of government. CERF covers county elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first class, non-charter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, county prosecuting attorneys, and county sheriffs. Until January 1, 2000, employees hired before January 1, 2000, could opt out of the system.



THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

VI. COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

A. Plan Description (continued)

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost-of-living adjustments, not to exceed 1%, are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of CERF are paid out of the funds of the system.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-573-632-9203.

B. Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to have contributions of 4% made by the County if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. During 2021, the County collected and remitted to CERF, employee contributions of \$27,624 for the year then ended.

VII. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (LAGERS)

A. Plan Description

The Gasconade County's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. Gasconade County participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple employers, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755.



THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

VII. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (LAGERS)

A. Plan Description (continued)

As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at [www.molagers.org](http://www.molagers.org).

B. Benefits Provided

LAGERS provides retirement, death, and disability benefits to employees of participating political subdivisions. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program then in effect for their political subdivision. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance. The LAGERS Board of Trustees establishes the benefit plans and provisions that are available for adoption. The political subdivision's governing body adopts all benefits of the plan.

	<u>2021 Valuation</u>
Benefit Multiplier:	1.50%
Final Average Salary:	5 Years
Member Contributions:	0%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered By Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

	<u>General</u>	<u>Police</u>
Inactive employees or beneficiaries currently receiving benefits	32	13
Inactive employees entitled to but not yet receiving benefits	11	30
Active employees	31	8
TOTAL	<u>74</u>	<u>51</u>

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

VII. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS)  
(continued)

B. Employees Covered By Benefit Terms (continued)

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of Gasconade County do not contribute to the pension plan. Employer contribution rates are 2.4% (General) and 4% (Police) of annual covered payroll.

VIII. PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Chapter 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County has contributed \$3,366 for the year ended December 31, 2021.

IX. POST-EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County. There were no participants at December 31, 2021.

X. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

The County was involved in pending litigation as of the audit report date. The County's attorneys are vigorously defending the County in these matters. County management believes that such litigation and claims will ultimately be resolved without material financial liability, if any, to the County.

B. Compensated Absences (Vacation and Sick Time)

The County provides employees with up to four weeks of paid vacation based upon the number of years of continuous service. This ranges from getting two weeks after the first year of service. Upon termination from county employment, an employee is reimbursed for unused vacation and overtime, if applicable. All regular full-time employees, working 30 hours a week or more, in the County earn four hours of sick leave for each calendar month of employment.

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

X. CLAIMS COMMITMENTS AND CONTINGENCIES (continued)

B. Compensated Absences (Vacation and Sick Time) (continued)

Sick leave for new and terminated full time employees is prorated based on when the employee starts or terminates employment during the month. The employee receives one hour of sick leave for each week worked the first and last month of employment. Upon termination from county employment, an employee is reimbursed for unused sick leave, if applicable.

C. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

XI. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body created pursuant to state statute (Section 537.700 RSMo.). The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

THE COUNTY OF GASCONADE  
HERMANN, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

XII. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 3, 2023, the date the financial statements were available to be issued.

The county believes that there are no subsequent events that need to be disclosed in the financial statements.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS*

To the County Commission and Officeholders of  
Gasconade County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Statement of Receipts, Disbursements and Changes in Cash - All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash - Regulatory Basis, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual Regulatory Basis of Gasconade County, Missouri as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Gasconade County, Missouri's basic financial statements and have issued our report thereon dated March 3, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Gasconade County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Gasconade County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Gasconade County, Missouri's internal control.

*A deficiency in internal control exists* when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS* - continued

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Gasconade County, Missouri’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Gasconade County, Missouri’s Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Gasconade County, Missouri’s response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Gasconade County, Missouri’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
March 3, 2023

GASCONADE COUNTY MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2021

No Findings in the current year noted.

GASCONADE COUNTY MISSOURI  
STATUS OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021

II. FINANCIAL STATEMENT FINDINGS

**2020-001** Criteria: Statement on Auditing Standards (SAS) No. 115, Communicating Internal Control Related Matters Identified in an Audit, which is effective for periods ending on or after December 15, 2009, as amended by SAS No. 122, Statements on Auditing Standards: Clarification and Recodification, considers inadequate documentation of the components of internal control to be at least a significant deficiency.

Condition: Documentation of the County's internal controls has not been prepared.

Status: The condition was resolved and does not exist anymore as of December 31, 2021.

**2020-002** Criteria: Antifraud programs and controls are the policies and procedures put in place by an organization to help ensure that management directives are carried out. They are part of the overall system of internal control established to achieve reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Condition: During the audit, we noted there is no formal fraud risk assessment in place.

Status: The condition was resolved and does not exist anymore as of December 31, 2021.

**2020-003** Criteria: SAS No. 55, Consideration of Internal Control in a Financial Statement Audit, as amended by SAS No. 78, Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS No. 55.

Condition: Lack of sufficient segregation of duties within the offices of the Collector and Treasurer.

Status: The condition was resolved and does not exist anymore as of December 31, 2021.





# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
February 2023

Report No. 2023-014

March 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## February 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 19 political subdivisions required to file a financial report by February 28, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the reports submitted and, accordingly, do not express an opinion or any other assurance on them.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in February 2023, after their filing deadline. The filing status for these 22 entities is presented in summary on page 3 and by individual entity in Appendixes B to D.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## February 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

This report includes the filing status for the 19 political subdivisions, other than cities, towns, and villages, with a fiscal year end of August 31, 2022. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 19 political subdivisions, 12 filed an annual financial report timely.

This report also includes the filing status for 22 political subdivisions, other than cities, towns, and villages, that filed their financial report in February 2023, after their filing deadline.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due February 28, 2023

Fiscal Year Ended August 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Adair	Adair County NHD	No	
Carroll	Brunswick Levee District	Yes	September 7, 2022
Franklin	New Haven SRD Franklin County	No	
Holt	Little Tarkio Drainage District	Yes	September 27, 2022
Jackson	Atherton Blue Mills Levee District	Yes	January 30, 2023
Jefferson	Arnold Retail Corridor TDD	Yes	February 27, 2023
	Arnold Triangle TDD	Yes	February 27, 2023
	Ridgecrest CID	Yes	December 14, 2022
Knox	Knox County NHD	No	
Lawrence	Lawrence County NHD	No	
McDonald	PWSD 2 McDonald County	Yes	December 19, 2022
Pemiscot	St. Francis Levee District	Yes	February 28, 2023
Saline	Miami Levee District 1	Yes	August 22, 2022
Scott	Miner Gateway CID	Yes	February 27, 2023
St. Louis	Richardson Crossing CID	No	
Stoddard	Essex SRD Stoddard County	Yes	December 29, 2022
	PWSD 2 Stoddard County	Yes	November 11, 2022
Washington	Washington County Memorial Hospital	No	
Wayne	PWSD 3 Wayne County	No	
Total Filed		12	
Total Not Filed		7	

Acronyms:

CID	Community Improvement District
NHD	Nursing Home District
PWSD	Public Water Supply District
SRD	Special Road District
TDD	Transportation Development District

Appendix B  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due October 31, 2022  
Filed in February 2023

Fiscal Year Ended April 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jackson	801 Westport Road CID	Yes	February 2, 2023
Total Filed		1	

Acronyms:

CID                      Community Improvement District

## Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in February 2023

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Buchanan	American Electric Lofts CID	Yes	February 22, 2023
	Rolling Hills Consolidated PLD	Yes	February 21, 2023
	St. Joseph Downtown CID	Yes	February 13, 2023
Caldwell	Hamilton Public Library District	Yes	February 28, 2023
Carter	Ellsinore Rural FPD	Yes	February 4, 2023
Clay	Meadowbrook Village CID	Yes	February 14, 2023
Dade	Dade County NHD	Yes	February 2, 2023
Dent	Salem Public Library District	Yes	February 10, 2023
Greene	James River Commons CID	Yes	February 15, 2023
Holt	Forest City Levee District	Yes	February 27, 2023
Jefferson	PWSD 1 Jefferson County	Yes	February 1, 2023
Johnson	South Fork of Blackwater WSD	Yes	February 1, 2023
Montgomery	Wellsville FPD	Yes	February 15, 2023
Morgan	Good Shepherd NHD	Yes	February 17, 2023
Shelby	Shelbina Carnegie Library District	Yes	February 8, 2023
St. Louis	Missouri Bottoms LD - Bridgeton LSD	Yes	February 28, 2023
	Route 141/Marshall Road CID	Yes	February 28, 2023
St. Louis City	Ballpark Village CID	Yes	February 21, 2023
	Ballpark Village TDD	Yes	February 21, 2023
	Loop East CID	Yes	February 21, 2023
Total Filed		20	

### Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
LD	Levee District
LSD	Levee Subdistrict
NHD	Nursing Home District
PLD	Public Library District
PWSD	Public Water Supply District
TDD	Transportation Development District
WSD	Watershed Subdistrict

Appendix D

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due January 31, 2023

Filed in February 2023

Fiscal Year Ended July 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Lewis	La Grange SRD Lewis County	Yes	February 17, 2023
Total Filed		1	

Acronyms:

SRD                      Special Road District





# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
February 2023

Report No. 2023-013

March 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## February 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by February 28, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 6 cities, 1 town, and 4 villages is presented in summary on page 4 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in February 2023, after their filing deadline. The filing status for these 57 cities, 1 town, and 5 villages is presented in summary on page 4 and by individual entity in Appendixes B to F.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

## February 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires that the SAO notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and mandatory ballot measure to dissolve the political subdivision.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



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Monthly Report on Municipal Court and Revenue Filings  
February 2023  
Executive Summary

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This report includes the filing status for the 6 cities, 1 town, and 4 villages with a fiscal year end of August 31, 2022, whose financial report was due by February 28, 2023. Of the 11 municipalities, 8 filed the financial report timely. Of the 9 municipalities required to file an addendum, 4 filed timely. Of the 2 municipalities required to file a certification, 1 filed timely.

This report includes the filing status for 57 cities, 1 town, and 5 villages that filed at least one of the items (financial report, addendum, or certification) in February 2023, after their filing deadline. Of these municipalities, 15 filed an annual financial report, 47 filed an addendum, and 19 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due February 28, 2023

Fiscal Year Ended August 31, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Barton	City of Golden City	Yes	December 5, 2022	No	N/A
Bates	Village of Merwin	Yes	January 24, 2023	N/A	N/A
Clay	City of Avondale	Yes	February 21, 2023	No	N/A
Franklin	Village of Miramiguoa Park	Yes	February 24, 2023	No	N/A
Jefferson	City of Arnold	Yes	February 28, 2023	Yes	Yes
Scotland	City of Memphis	No		No	N/A
Scott	City of Miner	Yes	January 13, 2023	Yes	N/A
	Village of Haywood City	No		N/A	N/A
St. Charles	Town of Augusta	Yes	February 15, 2023	Yes	N/A
St. Louis	Village of Pasadena Park	No		No	No
Taney	City of Forsyth	Yes	February 13, 2023	Yes	N/A
Total Filed		8		4	1
Total Not Filed		3		5	1
Total N/A		0		2	9

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2022  
Filed in February 2023

Fiscal Year Ended September 30, 2021

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Jasper	City of Duquesne	**	January 13, 2022	***	Yes
Lafayette	City of Concordia	**	February 25, 2022	Yes	Yes
Linn	City of Brookfield	***	April 22, 2022	Yes	N/A
Madison	City of Fredericktown	***	April 18, 2022	Yes	No
Total Filed		0		3	2

\*\* Filed by March 31, 2022.

\*\*\* Filed after March 31, 2022, but before February 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2022  
Filed in February 2023

Fiscal Year Ended December 31, 2021

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Atchison	City of Fairfax	**	June 16, 2022	Yes	N/A
	City of Rock Port	***	September 6, 2022	Yes	N/A
Barry	City of Seligman	**	April 11, 2022	**	Yes
Benton	City of Cole Camp	**	June 30, 2022	Yes	Yes
Caldwell	City of Kidder	Yes	February 26, 2023	No	N/A
Callaway	City of New Bloomfield	**	May 24, 2022	Yes	N/A
Christian	City of Billings	**	April 26, 2022	Yes	N/A
Greene	City of Republic	**	June 22, 2022	Yes	**
Harrison	City of Gilman City	**	June 27, 2022	Yes	N/A
Holt	City of Forest City	***	January 12, 2023	Yes	N/A
Jackson	City of Grain Valley	**	June 24, 2022	Yes	***
Knox	Village of Novelty	**	June 30, 2022	Yes	N/A
Platte	City of Edgerton	**	March 22, 2022	Yes	N/A
	City of Parkville	***	September 19, 2022	**	Yes
Polk	City of Bolivar	**	January 24, 2022	Yes	N/A
Saline	City of Blackburn	***	July 25, 2022	Yes	N/A
	City of Slater	**	March 9, 2022	Yes	N/A
St. Louis	City of Bel Ridge	**	June 27, 2022	Yes	***
	City of Crystal Lake Park	**	May 31, 2022	Yes	**
	City of Ladue	**	June 29, 2022	Yes	Yes
	City of Shrewsbury	**	June 30, 2022	Yes	Yes
	City of Sunset Hills	**	June 23, 2022	Yes	Yes
	Village of Glen Echo Park	**	May 31, 2022	Yes	N/A
Stone	City of Galena	**	June 2, 2022	**	Yes
Webster	City of Niangua	**	February 16, 2022	Yes	N/A
Total Filed		1		21	7

\*\* Filed by June 30, 2022.

\*\*\* Filed after June 30, 2022, but before February 2023.

N/A Entities without a municipal judge are not required to file a certification.



Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2022  
Filed in February 2023

Fiscal Year Ended March 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Atchison	City of Tarkio	**	April 12, 2022	**	Yes
Boone	City of Centralia	***	November 23, 2022	Yes	N/A
Camden	Village of Sunrise Beach	**	September 26, 2022	Yes	**
Cooper	City of Pilot Grove	**	September 27, 2022	Yes	N/A
Lafayette	City of Lexington	**	August 23, 2022	Yes	Yes
Mississippi	City of East Prairie	**	June 15, 2022	Yes	Yes
Ray	City of Hardin	***	December 28, 2022	***	Yes
Saline	Village of Arrow Rock	**	July 1, 2022	Yes	N/A
Scott	City of Oran	**	June 30, 2022	Yes	N/A
St. Louis	City of Velda Village Hills	No		Yes	***
	Village of Hillsdale	Yes	February 16, 2023	Yes	No
Total Filed		1		9	4

\*\* Filed by September 30, 2022.

\*\*\* Filed after September 30, 2022, but before February 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due October 31, 2022  
Filed in February 2023

Fiscal Year Ended April 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Grundy	City of Trenton	**	October 12, 2022	Yes	N/A
Jasper	City of Carl Junction	***	December 6, 2022	Yes	Yes
Total Filed		0		2	1

\*\* Filed by October 31, 2022.

\*\*\* Filed after October 31, 2022, but before February 2023.

N/A Entities without a municipal judge are not required to file a certification.

Appendix F  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in February 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Adair	City of Novinger	***	January 11, 2023	Yes	N/A
Audrain	City of Laddonia	Yes	February 2, 2023	No	N/A
Barry	City of Purdy	Yes	February 14, 2023	No	N/A
Buchanan	City of St. Joseph	Yes	February 3, 2023	**	**
Cape Girardeau	City of Cape Girardeau	Yes	February 2, 2023	**	**
Cass	City of Cleveland	***	January 24, 2023	Yes	N/A
Clark	City of Alexandria	Yes	February 4, 2023	N/A	N/A
Dade	City of Greenfield	**	September 21, 2022	Yes	***
Dunklin	City of Campbell	Yes	February 21, 2023	Yes	Yes
Johnson	City of Holden	***	January 29, 2023	Yes	N/A
Marion	City of Hannibal	***	January 25, 2023	Yes	**
New Madrid	City of Howardville	Yes	February 2, 2023	Yes	N/A
Pemiscot	City of Caruthersville	Yes	February 2, 2023	**	**
Phelps	City of Doolittle	Yes	February 27, 2023	No	N/A
Reynolds	City of Ellington	Yes	February 13, 2023	Yes	N/A
Shelby	City of Shelby	Yes	February 8, 2023	No	**
St. Louis	City of Black Jack	**	December 16, 2022	Yes	Yes
	City of Frontenac	Yes	February 2, 2023	Yes	Yes
	City of Velda City	**	December 27, 2022	**	Yes
	Town of Grantwood Village	Yes	February 3, 2023	Yes	Yes
Sullivan	City of Milan	**	December 6, 2022	Yes	N/A
Total Filed		13		12	5

\*\* Filed by December 31, 2022.

\*\*\* Filed after December 31, 2022, but before February 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Wayne Wallingford, Director  
Department of Revenue  
and  
Mike Leara, Chairman  
Missouri Gaming Commission  
and  
Dr. Margie Vandeven, Commissioner  
Department of Elementary and Secondary Education  
Jefferson City, Missouri

To address our responsibilities of Section 313.822(3), RSMo, we have audited the revenues of and the transfers from the Gaming Proceeds for Education Fund to the Classroom Trust Fund and the expenditures from that fund, as part of our audit of the State of Missouri's Annual Comprehensive Financial Report (ACFR), as of and for the year ended June 30, 2022, and have issued our report (Report No. 2023-010), dated March 24, 2023. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the ACFR audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

No expenditures occur from the Gaming Proceeds for Education Fund. Revenue from that fund is transferred to the Classroom Trust Fund (over 99 percent) and the School District Bond Fund (less than 1 percent). The State of Missouri's ACFR is comprised of the financial statements of the governmental activities (including the Gaming Proceeds for Education Fund and the Classroom Trust Fund), the business-type activities, the aggregate discretely presented component units, each major fund (including the Public Education Fund, which includes the Gaming Proceeds for Education Fund and the Classroom Trust Fund), and the aggregate remaining fund information of the State of Missouri, and the related notes to the financial statements.

Our report expressed qualified opinions on the governmental activities (including the Gaming Proceeds for Education Fund and the Classroom Trust Fund) and the General Fund because we were not allowed access to tax returns and related source documents for income taxes. Our report expressed unmodified opinions on all remaining opinion units.

Our audit determined the appropriation from the Classroom Trust Fund decreased 1 percent and the expenditures increased 4 percent from fiscal year 2021 to fiscal year 2022, and the appropriation was used for educational purposes. No findings resulted from our audit procedures related to the Gaming Proceeds for Education Fund and the Classroom Trust Fund.

A handwritten signature in black ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
and  
Anne L. Precythe, Director  
Department of Corrections  
Jefferson City, Missouri

To address our responsibilities of Section 217.595.6, RSMo, we have audited the revenues and the expenditures of the Working Capital Revolving Fund, as part of our audit of the State of Missouri's Annual Comprehensive Financial Report (ACFR), as of and for the year ended June 30, 2022, and have issued our report (Report No. 2023-010), dated March 24, 2023. The State of Missouri's ACFR is comprised of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information (including the Working Capital Revolving Fund) of the State of Missouri, and the related notes to the financial statements. To avoid the appearance of a conflict of interest, the State Auditor recused himself from participation in the ACFR audit because he managed various cash and investment balances in his role as State Treasurer as of June 30, 2022. He directed the Audit Director to oversee procedures performed by the State Auditor's professional audit staff.

Our report expressed qualified audit opinions on the governmental activities and the General Fund opinion units and unmodified opinions on the business-type activities, the aggregate discretely presented component units, each major fund excluding the General Fund, and the aggregate remaining fund information (including the Working Capital Revolving Fund) opinion units of the State of Missouri, as of June 30, 2022.

No findings resulted from our audit procedures related to the Working Capital Revolving Fund.

An additional audit of the Department of Corrections' Missouri Vocational Enterprises Program is in process, and any findings and recommendations will be included in a subsequent report.

Kim Spraggs, CPA, CGAP  
Director of Audits

March 2023  
Report No. 2023-011



A photograph of the Missouri State Capitol building, featuring a large white dome and classical columns. A large American flag is draped across the front entrance. The building is partially obscured by green trees in the foreground. The sky is a clear, bright blue.

# Missouri

Comprehensive Annual Financial Report  
For Fiscal Year Ended June 30 , 2022

# 2022



***STATE OF MISSOURI***  
***ANNUAL COMPREHENSIVE***  
***FINANCIAL REPORT***

*Fiscal Year Ended June 30, 2022*



***Michael L. Parson***  
***Governor***

***KENNETH J. ZELLERS***  
***Commissioner***  
***Office of Administration***

***STACY NEAL***  
***Director***  
***Division of Accounting***

*Prepared by*  
*Office of Administration, Division of Accounting*



***On the Cover:***

State Capitol with U.S. Flag, Michelle Pummill, Photographer

This report can be viewed on the Internet at <https://acct.ia.mo.gov/reports>

**STATE OF MISSOURI**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2022**

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*The **Introductory Section** includes material to familiarize the reader with the organizational structure of the State, the nature and scope of services the State provides, and a summary of the financial activities of the State and the factors that influence these activities.*

**Michael L. Parson**  
Governor



**Kenneth J. Zellers**  
Commissioner

State of Missouri  
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**Stacy Neal**  
Director

March 24, 2023

The Honorable Michael L. Parson  
The Honorable Members of the Legislature  
Citizens of the State of Missouri

In accordance with generally accepted accounting principles, I submit to you the Annual Comprehensive Financial Report (ACFR) of the State of Missouri for the fiscal year ended June 30, 2022. This report was prepared by the Office of Administration, Division of Accounting, whose management is responsible for its contents.

The report is prepared to show the financial position and operating results of the State. The State's internal accounting controls provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposal and the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the resulting benefit. We believe the data presented is accurate in all material respects and that all disclosures necessary to enable the reader to gain a reasonable understanding of the State's financial activities have been included.

An annual audit of the basic financial statements is completed each year by the State Auditor's Office. The State Auditor conducts the audit in accordance with generally accepted government auditing standards, and their opinion has been included in this report. The State Auditor conducts a "Single Audit" of all federal funds in accordance with the Federal Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform guidance).

A narrative introduction, overview, and analysis of the basic financial statements is presented in the *Management's Discussion and Analysis (MD&A)* section of this report. This letter of transmittal is intended to complement MD&A and should be read in conjunction with it. The MD&A can be found immediately following the Independent Auditor's Report.

## **PROFILE OF THE GOVERNMENT**

Missouri was organized as a territory in 1812 and was the second state (after Louisiana) of the Louisiana Purchase to be admitted to the Union. Statehood was granted on August 10, 1821, making Missouri the 24th state. The State encompasses 68,945 square miles.

The State operates under three branches of government: executive, legislative, and judicial. The executive branch consists of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, and Attorney General. The legislative branch consists of 34 members of the Senate and 163 members of the House of Representatives. The judicial branch is a three-tier court system: the Supreme Court, the State's highest court, has statewide jurisdiction; a court of appeals that consists of districts established by the General Assembly; and a system of circuit courts that has original jurisdiction over all cases and matters, civil and criminal.

The State provides a range of services in the areas of agriculture, education, health and social services, transportation systems, public safety, judicial systems, economic development, conservation and natural resources, labor relations, and general administration.

The State operates on a legally adopted budget in order to ensure compliance with legal provisions embodied in the annual appropriated budget passed by the General Assembly and approved by the Governor prior to the beginning of the fiscal year. If appropriations are not sufficient for a fiscal year, supplemental amounts are requested during the next legislative session by the same process that original appropriations are requested. Budgets are established at the program level. Expenditures cannot exceed the individual appropriation amount. The Governor has the authority to reduce the allotments of appropriations in any fund if it appears that the revenue estimate will not be met. Article IV, Section 27 of the Missouri Constitution, amended in 2014, requires the Governor to notify the General Assembly if the Governor reduces allotments when it appears revenues will be less than estimated. This Section then gives the General Assembly the authority to overturn any of the Governor's restrictions with a two-thirds vote, similar to the procedure to overturn a veto. Unexpended appropriations lapse at the end of each fiscal year, unless reappropriated to the following budget fiscal year.

The financial reporting entity of the State includes all of the funds of the primary government as well as component units for which the State is financially accountable. The transmittal letter, MD&A, and the financial statements focus on the primary government and its activities. Although information pertaining to the component units is provided, their separately issued financial statements should be read to obtain a complete overview of their financial position.

## **ECONOMIC CONDITION AND OUTLOOK**

### **State Economy**

Revenue collection information as of June 30, 2022, indicates that net general revenues collections for fiscal year 2022 increased by 14.6% compared to June 2021, from \$11.24 billion in fiscal year 2021 to \$12.88 billion in fiscal year 2022. This increase reflects strong growth in all major tax categories.

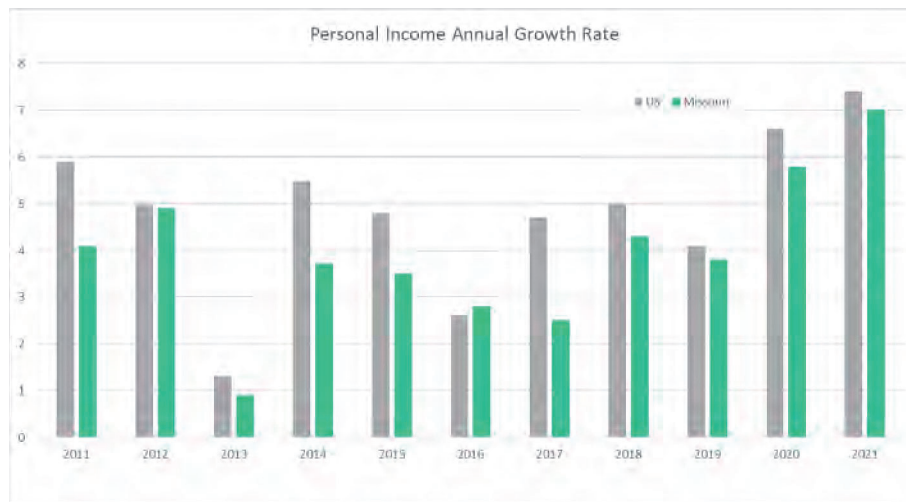
The State's economic outlook for fiscal year 2023 anticipates continued improvement in employment and wages, while consumption is expected to slow as federal stimulus wanes. Since fiscal year 2022 finished significantly above forecast, the Governor has begun fiscal year 2023 with no restrictions in place on general revenue spending. However, the Governor may restrict spending during the fiscal year if necessary.

During fiscal year 2022, the State received \$2,685,296,000 in grant monies as part of the American Rescue Plan Act (ARPA), \$1,698,819,000 of which is for Revenue Replacement. ARPA was signed to deliver relief to the American economy and work towards beating the COVID-19 virus. Monies received through ARPA are to be used for expenditures such as public health, assistance for negative economic impacts, infrastructure to provide safe drinking water, infrastructure for broadband, and some administrative expenses to assist in these endeavors. The Revenue Replacement portion specifically is to be spent on items such as provision of government services and non-federal match for other Federal programs

In November 2022 it was voted to legalize the use of recreational marijuana with estimated annual revenues of at least \$40.8 million.

Missouri's GDP was \$295.7 billion in 2021 in 2012 inflation-adjusted dollars; this is a 4.6% increase over 2020. Missouri's per capita personal income was \$55,159 in 2021, an increase from 2020. The national per capita income is \$63,444. While the State's per capita income is lower than the national average, so is the cost of living. In 2021, Missouri ranked 7th lowest in cost of living for states.

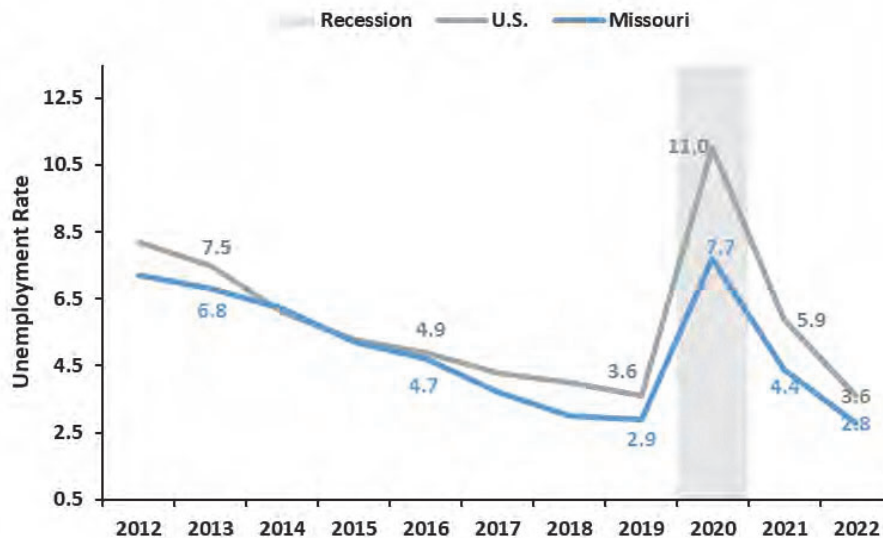
## Personal Income Annual Growth Rate



Source: MERIC 2022 Missouri Economic Report

In July 2022, Missouri's unemployment rate was 2.8%, while the nation's unemployment rate was 3.6%, a significant decrease from July 2021, reflecting continued recovery from the economic downturn caused by the COVID-19 pandemic during 2020. Prior to the COVID-19 pandemic, Missouri and the nation were experiencing record low unemployment numbers and a tight labor market. The current unemployment rate of 2.8%, a historic low, shows economic improvement following the COVID-19 pandemic.

## Unemployment Rate Month of June, Year-Over-Year 2012 - 2022



Source: MERIC 2022 Missouri Economic Report



## **Long-Term Financial Planning**

During the 2014 legislative session, the legislature passed Senate Bill 509 and Senate Bill 496, relating to changes to the State's income tax structure. The legislation reduced the maximum tax rate on personal income and created an income tax deduction for business income as well as increased a personal exemption for individuals that have an adjusted gross income of less than \$20,000. (The federal Tax Cuts and Jobs Act of 2017 eliminated the personal exemption.) The implementation of the tax cut is gradual with a 0.10% decline each calendar year and will go into effect following fiscal years where net general revenue collections grow at least \$150 million. Estimates indicate that the bills will cost at least \$620 million annually once fully in effect, which will occur in fiscal year 2025 at the earliest, due to a phased implementation. General revenue growth for fiscal year 2017, 2018, and 2021 triggered the first three income tax reductions in tax year 2018, 2019, and 2022. The general revenue growth for 2019 and 2020 did not trigger a tax reduction for tax years 2020 and 2021.

The General Assembly passed several tax-related bills during the 2022 legislative session. The General Assembly passed HB 2400 which made multiple changes to individual income taxes and tax credits. HB 2400 created the SALT Parity Act, allowing pass-through businesses to file their individual income tax returns at the entity level. In addition, HB 2400 grants an income tax credit to S-corporations that earn income in certain states. The impact from these provisions on general revenue is unknown. The General Assembly passed HB 1606 and SB 652, which exempt the 2026 FIFA World Cup game tickets from sales tax. These bills will only result in a general revenue loss during fiscal year 2026. Another provision of HB 2400 creates a sales tax exemption for qualified research purchases. In addition, the General Assembly passed SB 745, which creates a sales tax exemption for utilities used by transient guest services and solar energy system purchases. SB 745 is expected to reduce general revenue by \$30 to \$32 million in fiscal year 2023. Once fully implemented, SB 745 is estimated to reduce general revenue by \$21 to \$23 million annually. The passage of HB 2400 also created and changed tax credit programs. It changes the self-employed health insurance tax credit, making the credit non-refundable and disallowing the use of both the credit and income tax deduction. In addition, HB 2400 created a tax credit for qualified research with an annual cap of \$20 million starting in FY 2024. HB 2400 is estimated to reduce general revenue by \$9 million annually once fully implemented. SB 672 creates a tax credit for activities located within a TIME Zone. The tax credit program has an annual \$5 million limit. The combined impact to general revenue during Fiscal Year 2023 is estimated to be an approximately \$13 to \$30 million loss. Once fully implemented, the legislation could reduce general revenue by up to \$30 million annually.

## **Relevant Financial Policies**

Article X, Sections 16-24 of the Constitution of Missouri (the "Tax Limitation Amendment"), imposes a limit on the amount of taxes that may be imposed by the General Assembly in any fiscal year. This limit is tied to total state revenues for fiscal year 1981, as defined in the Tax Limitation Amendment and adjusted annually, in accordance with the formula set forth in the amendment which is tied to increases in the personal income of Missouri for certain designated periods. If the revenue limit is exceeded by one percent or more in any fiscal year the excess revenue will be refunded pro-rata, based on the liability reported on state income tax returns. If the excess revenue collected is less than one percent of the revenue limit, the excess revenue shall be transferred to the General Revenue Fund.

The revenue limit can be exceeded by a constitutional amendment duly adopted by the people or if the General Assembly approves by a two-thirds vote an emergency declaration by the Governor. Strong economic growth resulted in revenues above the total state revenue limit in fiscal years 1995-1999. The State has refunded to taxpayers \$979 million in excess revenue for these fiscal years. The revenue limit was not exceeded in fiscal years 2000 through 2022, inclusive. The State is currently \$3.62 billion below the limit and does not expect the limit to be exceeded in fiscal year 2023.

## **Major Initiatives**

Highlights of the 2022 Regular Session include the passage of the following:

- **Workforce Development**

The General Assembly passed SB 672 which expands the state's adult higher education financial aid program, Fast Track. The program will now cover active-duty service personnel, offer grants for eligible apprenticeships, and have fewer application requirements. The General Assembly passed SB 718 which promotes adult education and workforce development by creating the Workforce Diploma program. With nearly 450,000 adult Missourians lacking a high school credential, this program will assist students, at no cost to them, to receive a diploma while teaching them workforce-ready skills.

- **Education**

The General Assembly passed SB 681 which offers new flexibility for innovative districts via a waiver program that will allow requirements on individual schools to be waived by the State Board if the schools shows they can improve student post-secondary readiness or teacher recruitment and retention. SB 681 also creates a framework for a more student-centered education system by promoting competency-based education which allows students to advance as they reach proficiency rather than at the pace determined by the whole class.

- **Elections**

The General Assembly passed HB 1878 which modernizes and revises many of the state's election and voting laws. Starting August 28th, 2022 all registered voters will be able to vote by mail or at an election authority up to two weeks prior to an election without needing an excuse for their absence on Election Day. The bill also updates the state's presidential primary election to reflect Missouri's political parties' long-standing caucus process. Lastly, HB 1878 moves all election authorities to paper ballot elections by prohibiting electronic-only voting machines after 2023.

- **Public Health**

The General Assembly passed HB 2162 which adds provisions aimed at addressing the opioid epidemic. The bill will improve access to addiction mitigation medication through a statewide standing order by the Department of Health and Senior Services director. Ahead of a global settlement with opioid manufacturers, HB 2162 will also allow more state departments to use the settlement funds on programs related to the opioid crisis.

- **Childcare**

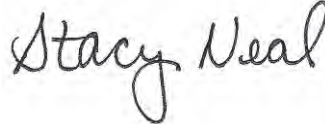
The General Assembly passed SB 683 which improves access to child care by expanding the number of children allowed within licensed family child care homes. The bill also establishes a prison nursery program to allow a pregnant offender to stay with her child for up to 18 months. SB 683 also modifies a number of statutes to reflect Executive Order 21-1 which created the Office of Childhood and consolidated many early childhood-related responsibilities within the office

## **ACKNOWLEDGEMENTS**

While the Office of Administration, Division of Accounting, is responsible for the contents of this report, no one division could do it alone. Many people were involved in the compilation of materials necessary to complete the report.

We want to issue a special thanks to all the personnel at the State agencies who provided us with information quickly and accurately so that we could issue the ACFR in a timely manner. We also owe thanks to the professionalism and dedication demonstrated by technical and management personnel within the State Auditor's Office, the State Treasurer's Office, Office of Administration, Information Technology Services Division, and the State Printing Center. We appreciate all their efforts.

Sincerely,

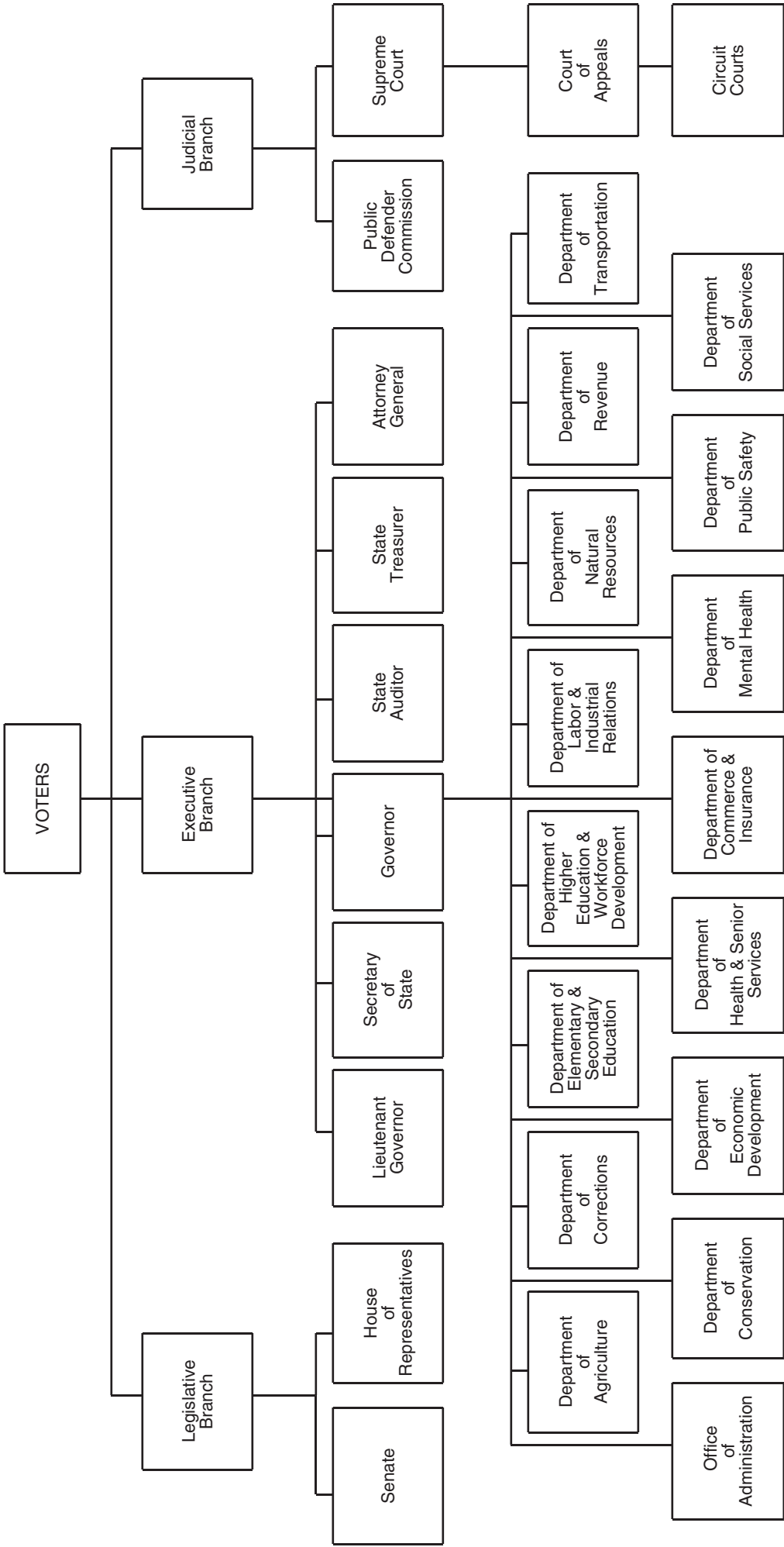
A handwritten signature in black ink that reads "Stacy Neal". The signature is written in a cursive, flowing style.

Stacy Neal, CPA  
Director

# STATE OF MISSOURI

## ORGANIZATIONAL CHART

June 30, 2022



**STATE OF MISSOURI  
PRINCIPAL STATE OFFICIALS  
as of June 30, 2022**

---

**EXECUTIVE**

**Michael L. Parson**  
*Governor*

**Mike Kehoe**  
*Lieutenant Governor*

**John R. Ashcroft**  
*Secretary of State*

**Scott Fitzpatrick\***  
*State Auditor*

**Vivek Malek\***  
*State Treasurer*

**Andrew Bailey\***  
*Attorney General*

**LEGISLATIVE**

**Caleb Rowden\***  
*President Pro Tem of the Senate*

**Dean Plocher\***  
*Speaker of the House of Representatives*

**JUDICIAL**

**Paul C. Wilson**  
*Chief Justice of the Supreme Court*

\*Updated for new appointments and postings.



*The **Financial Section** includes the Independent Auditor's Report, Management's Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, and Supplementary Information.*



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

**INDEPENDENT AUDITOR'S REPORT**

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly

**Report on the Audit of the Financial Statements**

***Qualified and Unmodified Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Missouri, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State of Missouri's basic financial statements as listed in the table of contents.

***Summary of Opinions***

<b>Opinion Unit</b>	<b>Type of Opinion</b>
Governmental Activities	Qualified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Unmodified
General Fund	Qualified
Public Education Fund	Unmodified
Conservation and Environmental Protection Fund	Unmodified
Missouri Road Fund	Unmodified
State Lottery Fund	Unmodified
Unemployment Compensation Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

***Qualified Opinions on the Governmental Activities and the General Fund***

In our opinion, based on our audit and the reports of other auditors, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the General Fund of the State of Missouri, as of June 30, 2022, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Missouri Road Fund, a major fund; the Missouri Road Bond Fund; the Conservation Employees' Insurance Plan; the Transportation Self-Insurance Plan; the Missouri State Employees' Insurance Plan; the Missouri Consolidated Health Care Plan; and the Missouri Department of Transportation and Missouri State Highway Patrol Medical and Life Insurance Plan, which

represent 61 percent of the assets and 9 percent of the revenues of the governmental activities. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those entities and funds, are based solely on the reports of the other auditors.

### *Unmodified Opinions*

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units, each major fund excluding the General Fund, and the aggregate remaining fund information of the State of Missouri, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of certain entities and funds. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those entities and funds, are based solely on the reports of the other auditors. Those entities and funds were:

1. The State Lottery Fund, a major fund, and the Petroleum Storage Tank Insurance Fund which represent 17 percent of the assets and 79 percent of the revenues of the business-type activities.
2. The aggregate discretely presented component units.
3. The pension (and other employee benefit) trust funds and the Missouri Department of Transportation custodial funds which represent 92 percent of the assets and 3 percent of the additions of the fiduciary funds.

### *Basis for Qualified and Unmodified Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State of Missouri and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions. The financial statements of the Conservation Employees' Insurance Plan, the Missouri State Employees' Insurance Plan, and the Missouri Consolidated Health Care Plan, internal service funds; the Missouri Development Finance Board, the Missouri Agricultural and Small Business Development Authority, and the State Environmental Improvement Energy Resources Authority, discretely presented component units; and the pension (and other employee benefit) trust funds were not audited in accordance with *Government Auditing Standards*.

### *Matter Giving Rise to Qualified Opinions on the Governmental Activities and the General Fund*

We were not allowed access to tax returns and related source documents for income taxes. Access was denied based on the Department of Revenue's interpretation of the decision rendered by the Missouri Supreme Court in the case of *Director of Revenue v. State Auditor* 511 S.W.2d 779 (Mo. 1974). Approximately 29 percent of governmental activities revenues and 32 percent of General Fund revenues



are from this source. We were unable to satisfy ourselves by appropriate audit procedures as to the income tax revenue beyond the amounts recorded.

### ***Emphasis of Matter***

As discussed in Note 17 to the financial statements, the 2021 financial statements have been restated for the implementation of GASB Statement No. 87, *Leases*, and to correct misstatements. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State of Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the information listed under Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Missouri's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the audit procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, except for the effect of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based

on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, our report dated March 24, 2023, on our consideration of the State of Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters will be issued under separate cover in the Report on Internal Control, Compliance, and Other Matters. The purpose of our report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Missouri's internal control over financial reporting or on compliance. Our report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Missouri's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Kim Spraggs". The signature is written in a cursive, flowing style.

Kim Spraggs, CPA, CGAP  
Director of Audits

March 24, 2023



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*The Management's Discussion and Analysis provides a narrative overview and analysis of the financial activities of the State.*

# Management's Discussion and Analysis

The following is a discussion and analysis of the State of Missouri's financial activities for the fiscal year ended June 30, 2022. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal.

## FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

### Government-Wide:

- *Net Position.* Assets and deferred outflows of the State of Missouri exceeded liabilities and deferred inflows at the close of fiscal year 2022 by \$37.3 billion. Of the \$37.3 billion, "unrestricted net position" is reported as a negative \$1.7 billion, offset by \$6.1 billion in "restricted net position", and \$32.9 billion net investment in capital assets.
- *Changes in Net Position.* The State's total net position increased by \$5.0 billion in fiscal year 2022. Net position for governmental-type activities increased by \$4.8 billion.
- *Excess of Revenues over (under) Expenses.* During fiscal year 2022, the State's total revenues of \$38.5 billion were \$5.0 billion greater than total expenses of \$33.5 billion (excluding capital contributions, transfers, and extraordinary items). Of these expenses, \$21.1 billion were covered by program revenues. General revenues, generated primarily from various taxes, totaled \$17.4 billion.

### Fund-Level:

- *Governmental Funds – Fund Balance.* At the close of fiscal year 2022, the State's governmental fund assets exceeded liabilities by \$14.0 billion, an increase of \$4.0 billion or 39.5% from the prior year. The increase was due to the net effect of several factors. Revenues increased \$2.1 billion, primarily from an increase in tax revenue of \$2.3 billion and related expenditures in Education increased \$1.3 billion.
- *General Fund – Fund Balance.* At the end of the current fiscal year, the State's General Fund reported a balance of \$8.7 billion.

Additional information regarding individual funds begins on Page 8.

### Debt Issued and Outstanding:

- The primary government's total long-term obligations related to bonds payable decreased \$173.6 million, or 7.9%, over the prior year. The outstanding bonds payable represents 8.9% of financial assets (cash, receivables, and investments) and 3.5% of total assets. On October 19, 2021, the Board of Public Buildings of the State of Missouri issued its Taxable Special Obligation Bonds, Series A 2021, in the amount of \$60.9 million. On December 15, 2021, the Missouri Highways and Transportation Commission issued its Third Lien State Road Bonds, Series A 2021, in the amount of \$89.0 million. Additionally, bond payments of \$323.4 million were made during the fiscal year. The State has financed purchases through direct borrowing with banks in the amount of \$31.4 million. Additional detail is available in *Note 11*.

### Revenue Limit:

- The State Constitution limits the State's ability to retain revenue collected over an amount set by a constitutional amendment known as Article X. Excess revenue of 1.0% or more must be refunded to the taxpayers each year. During fiscal year 2022, the State did not exceed the revenue limit.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The State's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

### Government-Wide Financial Statements:

The government-wide financial statements are designed to provide readers with a broad overview of the State's finances in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the State's assets, deferred outflows, liabilities, and deferred inflows, with the difference between them reported as *net position*. Increases or decreases in net position may serve as a useful indicator of the State's financial position.

The *Statement of Activities* presents information showing how the State's net position changed during the most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of when the cash is received. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements report three activities:

*Governmental Activities* are primarily supported by taxes and intergovernmental revenues. They include general government, education, natural and economic resources, transportation and law enforcement, and human services.

*Business-Type Activities* are intended to recover all or a significant portion of their costs through user fees and charges. They include constructing or operating state park facilities, fairgrounds, historical properties and office buildings, hospital services, warehousing, merchandising, publishing maps and documents, insurance coverage, and inmate canteen. Also included are the operations of the State Lottery and Unemployment Compensation funds.

*Discretely Presented Component Units* are operations for which the State has financial accountability, but are legally separate. They include the college and universities, Missouri Development Finance Board, Missouri Agricultural and Small Business Development Authority, Missouri Transportation Finance Corporation, Missouri Wine and Grape Board, and the State Environmental Improvement Energy Resources Authority.

### Fund Financial Statements:

The fund financial statements present more detailed information about the government's operations than the government-wide statements. The State uses fund accounting to ensure and demonstrate compliance with statutory requirements. The funds of the State can be divided into three categories: governmental, proprietary, and fiduciary.

*Governmental funds.* Governmental funds are used to account for most of the basic services provided by the State. Unlike the government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of current financial resources and utilize the modified accrual basis of accounting. This presentation focuses on when cash will be received and disbursed making the statements useful in evaluating a government's financing requirements in the near future.

Governmental funds include the general, special revenue, capital projects, debt service, and permanent funds. Major funds include general, public education, conservation and environmental protection, and the Missouri Road Fund which are presented in separate columns. Data from other governmental funds are combined into a single column for aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements in supplementary information.

A user can compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. A reconciliation to facilitate this comparison is provided on the page immediately following each governmental fund financial statement.

**Proprietary funds.** Proprietary funds are used to account for activities similar to private businesses in which goods and services are sold for specified fees. Generally, the State uses enterprise funds to account for activities that provide goods and services to the general public. These include constructing or operating state park facilities, fairgrounds, historical properties and office buildings, hospital services, warehousing, merchandising, and publishing maps and documents. Also included are the operations of the State Lottery and Unemployment Compensation funds. Internal service funds report activities that provide supplies and services for the State's other programs and activities. The State uses internal service funds to account for insurance and health care plans, as well as administrative services for other state agencies, such as fleet management, data processing, and telecommunication services. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds focus on economic resources and utilize the full accrual basis of accounting. The proprietary fund financial statements provide separate information for the State Lottery and Unemployment Compensation, which are considered major enterprise funds. Non-major enterprise funds are also combined into a single column for aggregated presentation. All internal service funds are combined into a single column in the proprietary fund financial statements. Individual fund data for the non-major enterprise and internal service funds is provided in the form of combining statements in supplementary information.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside State government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the State's own programs. The fiduciary funds are presented using the full accrual basis of accounting.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) including a budgetary comparison schedule for the General Fund and major special revenue funds and schedules for pension and other post-employment benefits. Other supplementary information includes the combining statements for the general, non-major governmental, non-major enterprise, internal service, fiduciary, and non-major component unit funds. It also includes the statistical section as well as budgetary comparison schedules and statements for the Missouri Road Fund, non-major special revenue, debt service, capital projects, and permanent funds.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Net Position:

The State's total net position increased \$5.0 billion during fiscal year 2022. Cash and cash equivalents and investments increased \$6.4 billion. This was mainly due to a decrease in unemployment compensation of \$3.4 billion because of a decline in the benefits paid compared to during the COVID-19 pandemic. There was also an increase of \$4.1 billion in tax revenues. Accounts receivable increased \$915.3 million. Capital assets increased \$487.6 million primarily related to an increase in investment in the State's infrastructure and the implementation of GASB Statement No. 87 - *Leases*. The State issued the Third Lien State Road Bonds, Series A 2021 in the amount of \$89.0 million. This issuance plus bond payments of \$320.1 million resulted in bonds payable and the related unamortized bond premium liability to decrease by \$253.9 million for Governmental Activities. The Board of Public Buildings of the State of Missouri issued the Taxable Special Obligation Bonds, Series A 2021, in the amount of \$60.9 million. This issuance and bond payments of \$3.3 million resulted in Bonds Payable and the related unamortized bond discount liability to increase by \$57.5 million for Business Type Activities. The total issuances and bond payments resulted in a total decrease of \$196.5 million in bonds payable liability and the related unamortized bond premium/discount liability for the State.



Net investment in capital assets, which includes capital assets, bonds payable, and lease/financed purchase obligations, is the largest component of the State's net position at \$32.9 billion or 88.1%. These assets include construction in progress, software in progress, infrastructure in progress, land, easements, land improvements, buildings, equipment, software, trademarks and intangible right-to-use assets related to leases which are not easily converted to cash or readily available to pay state debts as they come due. Net investment in capital assets and restricted net position, which do not represent resources available to pay day-to-day operating expenses, increased by \$564.0 million or 1.5%. The increase was primarily due to the increase in capital assets of \$487.6 million and a decrease in related outstanding bond, lease, and financed purchase obligation of \$426.9 million.

Restricted net position of the primary government totaled \$6.1 billion or 16.4% of total net position vs. 19.7% from the prior year. Net position is restricted for several reasons including constitutional, legal, enabling legislation, or external requirements. Examples of restricted net position include lottery proceeds restricted for public education, funds restricted for debt service, and certain sales taxes restricted for the maintenance of highways or state parks and conservation areas. Also, many federal funds are restricted to funding certain programs.

The following table displays the current and prior year government-wide condensed Statement of Net Position.

<b>STATEMENT OF NET POSITION</b> (In Thousands of Dollars)						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021*	2022	2021*	2022	2021*
<b>ASSETS:</b>						
Current and Other Assets	\$ 21,628,004	\$ 14,515,078	\$ 1,159,513	\$ 945,183	\$ 22,787,517	\$ 15,460,261
Capital Assets, Net	34,546,556	34,059,874	111,892	111,023	34,658,448	34,170,897
<i>Total Assets</i>	<u>56,174,560</u>	<u>48,574,952</u>	<u>1,271,405</u>	<u>1,056,206</u>	<u>57,445,965</u>	<u>49,631,158</u>
<b>DEFERRED OUTFLOWS:</b>	<u>1,626,542</u>	<u>1,686,566</u>	<u>7,697</u>	<u>8,356</u>	<u>1,634,239</u>	<u>1,694,922</u>
<b>LIABILITIES:</b>						
Other Liabilities	5,050,262	2,481,674	57,789	57,649	5,108,051	2,539,323
Long-Term Liabilities	14,656,946	15,768,404	310,013	269,934	14,966,959	16,038,338
<i>Total Liabilities</i>	<u>19,707,208</u>	<u>18,250,078</u>	<u>367,802</u>	<u>327,583</u>	<u>20,075,010</u>	<u>18,577,661</u>
<b>DEFERRED INFLOWS:</b>	<u>1,679,954</u>	<u>425,136</u>	<u>9,125</u>	<u>1,750</u>	<u>1,689,079</u>	<u>426,886</u>
<b>NET POSITION:</b>						
Net Investment in Capital Assets	32,817,336	31,935,183	52,443	111,023	32,869,779	32,046,206
Restricted	6,094,563	6,349,360	19,331	24,078	6,113,894	6,373,438
Unrestricted	(2,497,959)	(6,698,239)	830,401	600,128	(1,667,558)	(6,098,111)
<i>Total Net Position</i>	<u>\$ 36,413,940</u>	<u>\$ 31,586,304</u>	<u>\$ 902,175</u>	<u>\$ 735,229</u>	<u>\$ 37,316,115</u>	<u>\$ 32,321,533</u>

\*Fiscal year 2021 amounts have been restated.



## Changes in Net Position:

The schedule below reflects how the State's net position changed during the year. The State collected program revenues of \$21.1 billion and general revenues of \$17.4 billion for total revenues of \$38.5 billion during fiscal year 2022. Expenses for the State during fiscal year 2022 were \$33.5 billion. Total net position, net of contributions and transfers, increased by \$5.0 billion.

The following table displays the current and prior year government-wide condensed Statement of Activities.

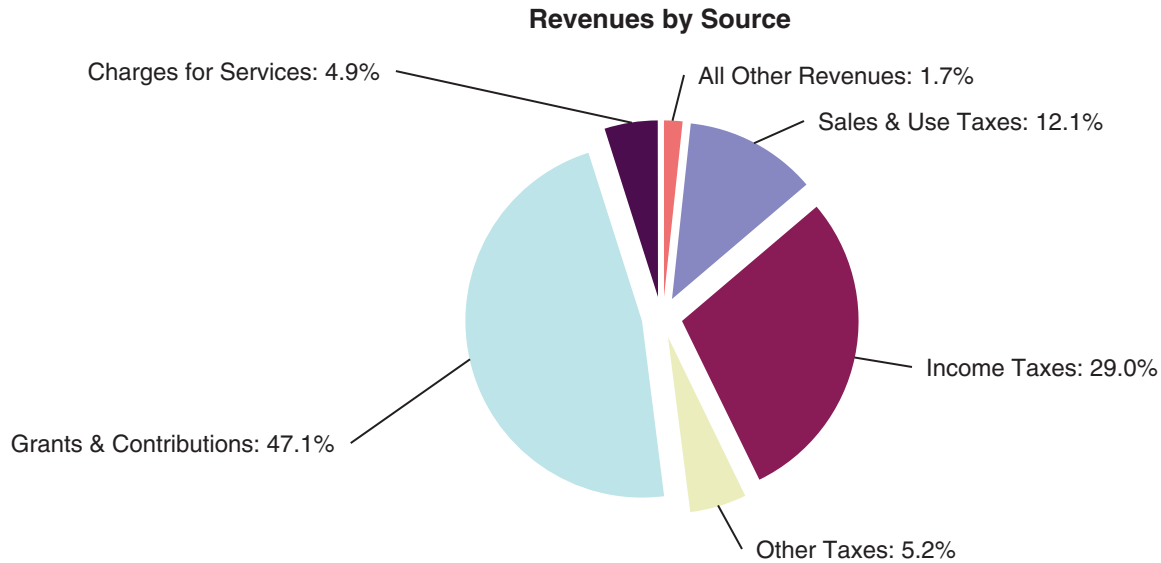
<b>STATEMENT OF ACTIVITIES</b> (In Thousands of Dollars)						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021*	2022	2021*	2022	2021*
<b>REVENUES:</b>						
Program Revenues:						
Charges for Services	\$ 1,780,806	\$ 2,253,610	\$ 1,876,745	\$ 1,893,043	\$ 3,657,551	\$ 4,146,653
Operating Grants and Contributions	16,193,195	15,793,490	423,896	3,260,494	16,617,091	19,053,984
Capital Grants and Contributions	872,728	1,567,072	—	—	872,728	1,567,072
General Revenues:						
Sales and Use Taxes	4,386,219	3,608,744	—	—	4,386,219	3,608,744
Income Taxes	10,512,542	8,522,806	—	—	10,512,542	8,522,806
Other Taxes	1,869,412	1,621,969	—	—	1,869,412	1,621,969
Other Revenues	610,142	103,387	2,128	10,379	612,270	113,766
<i>Total Revenues</i>	<u>36,225,044</u>	<u>33,471,078</u>	<u>2,302,769</u>	<u>5,163,916</u>	<u>38,527,813</u>	<u>38,634,994</u>
<b>EXPENSES:</b>						
General Government	1,388,801	1,703,806	—	—	1,388,801	1,703,806
Education	9,056,710	7,782,932	—	—	9,056,710	7,782,932
Natural and Economic Resources	1,501,480	1,350,353	—	—	1,501,480	1,350,353
Transportation and Law Enforcement	2,297,701	2,100,853	—	—	2,297,701	2,100,853
Human Services	17,459,743	17,022,298	—	—	17,459,743	17,022,298
State Lottery	—	—	1,424,911	1,434,104	1,424,911	1,434,104
Unemployment Compensation	—	—	254,450	3,680,869	254,450	3,680,869
State Fair Fees	—	—	4,794	2,257	4,794	2,257
State Parks and DNR	—	—	15,456	12,574	15,456	12,574
Historic Preservation	—	—	412	376	412	376
Petroleum Storage Tank Insurance	—	—	17,047	17,341	17,047	17,341
Surplus Property	—	—	1,368	1,706	1,368	1,706
Revenue Information	—	—	7	7	7	7
Inmate Canteen	—	—	30,891	32,495	30,891	32,495
All Other Expenses	79,943	80,878	—	—	79,943	80,878
<i>Total Expenses</i>	<u>31,784,378</u>	<u>30,041,120</u>	<u>1,749,336</u>	<u>5,181,729</u>	<u>33,533,714</u>	<u>35,222,849</u>
Increase (Decrease) in Net Position before Capital Contributions, Transfers, and Extraordinary Items	4,440,666	3,429,958	553,433	(17,813)	4,994,099	3,412,145
<i>Transfers and Extraordinary Items</i>	<u>386,487</u>	<u>70,605</u>	<u>(386,487)</u>	<u>(70,605)</u>	<u>—</u>	<u>—</u>
Change in Net Position	4,827,153	3,500,563	166,946	(88,418)	4,994,099	3,412,145
<i>Net Position – July 1</i>	<u>31,586,787</u>	<u>28,085,741</u>	<u>735,229</u>	<u>823,647</u>	<u>32,322,016</u>	<u>28,909,388</u>
<i>Net Position – June 30</i>	<u>\$36,413,940</u>	<u>\$31,586,304</u>	<u>\$ 902,175</u>	<u>\$ 735,229</u>	<u>\$37,316,115</u>	<u>\$32,321,533</u>

\*Fiscal year 2021 amounts have been restated. Fiscal year 2021 June 30 Net Position does not tie to fiscal year 2022 July 1 Net Position due to the restatement for GASB 87, which is a beginning balance restatement.

## Governmental Activities

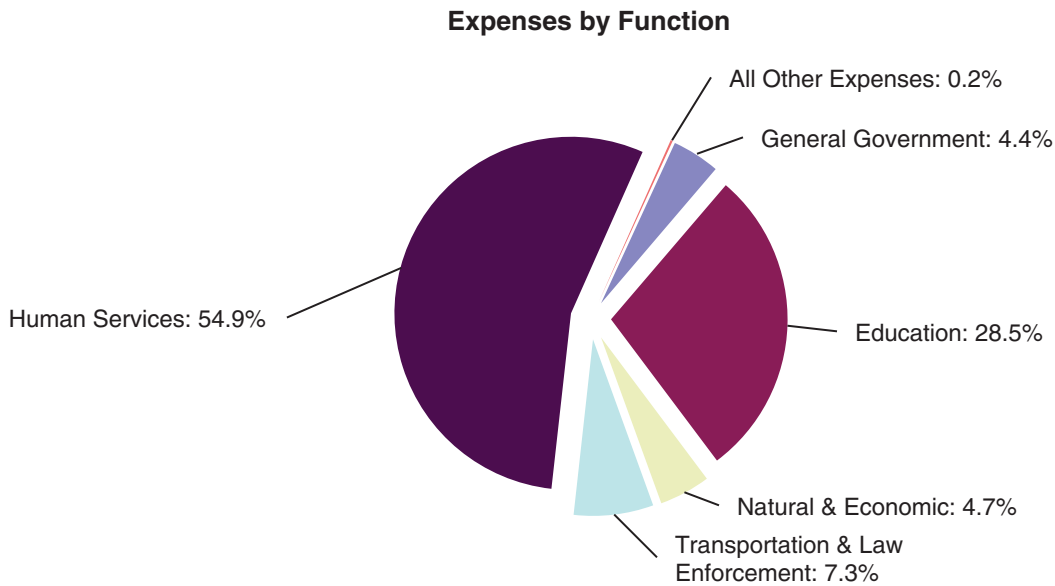
The net position of governmental activities increased \$4.8 billion in fiscal year 2022. General and program revenues of governmental activities were \$2.8 billion more in fiscal year 2022 than in fiscal year 2021, most notably due to an increase in income taxes.

As shown in the Revenues by Source chart below, approximately 46.3% of revenues from all sources earned came from taxes. Grants and contributions, which represents amounts received from other governments/entities, primarily the federal government, provided 47.1% of total revenue. Charges for services contributed 4.9% and various other revenues provided 1.7% of the remaining governmental activity revenue sources.



The State's governmental activities program expenses for fiscal year 2022 were \$1.7 billion more than fiscal year 2021. The most notable increase is \$1.3 billion in Education. This is mainly due to an increase in federal funding related to the Elementary and Secondary School Emergency Relief Fund (ESSER).

As shown in the Expenses by Function chart below, expenses for Human Services comprised the largest portion of total governmental activities expenses at 54.9%, followed by Education at 28.5%.

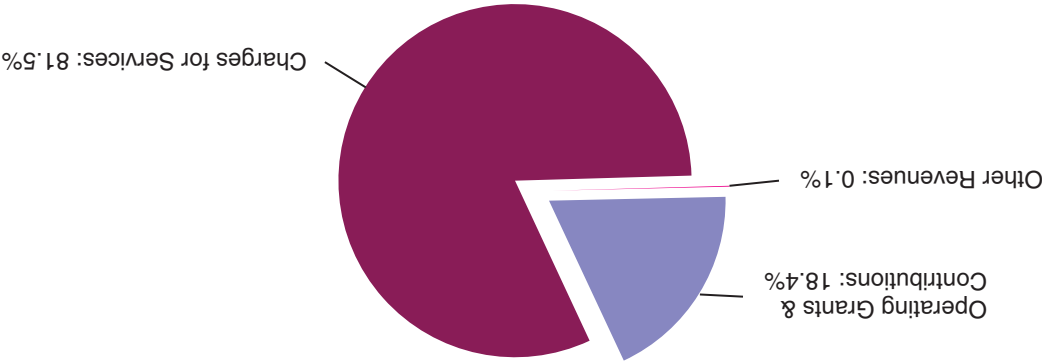


**Business-Type Activities**

Net position of the State's business-type activities increased \$166.9 million in fiscal year 2022, primarily caused by a decrease in overall expenses. The decrease was primarily caused by a decrease in unemployment benefit costs following COVID-19.

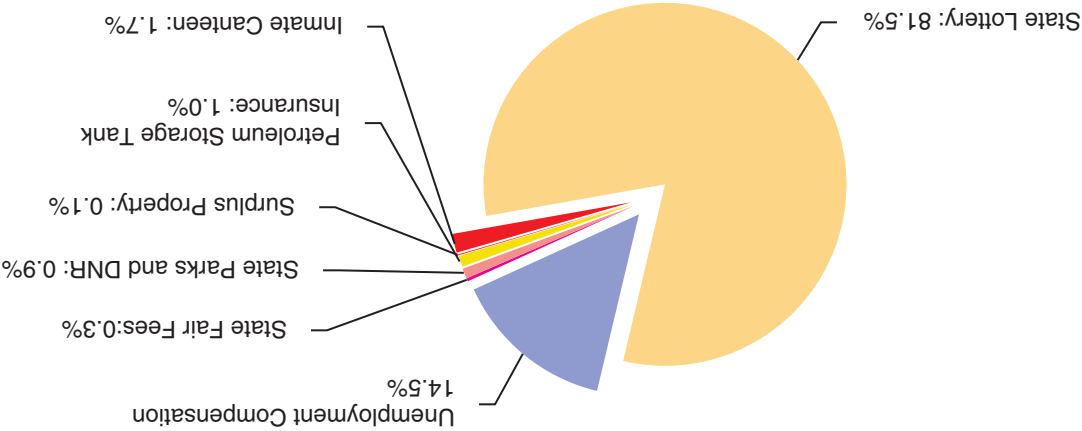
Revenues of business-type activities totaled \$2.3 billion. As shown in the Revenues by Source chart below, 81.5% of the revenues came from charges for services. Operating grants and contributions provided 18.4% of the total revenues and all other revenues provided 0.1%.

**Revenues by Source**



Expenses of business-type activities totaled \$1.7 billion. As shown in the Expenses by Fund chart below, State Lottery makes up the largest portion with 81.5% of total business-type expenses. Unemployment Compensation comes in second at 14.5%, followed by Inmate Canteen at 1.7%, Petroleum Storage Tank Insurance at 1.0%, State Parks and DNR at 0.9%, State Fair Fees at 0.3%, and Surplus Property at 0.1%.

**Expenses by Fund**



## FINANCIAL ANALYSIS OF THE STATE'S INDIVIDUAL FUNDS

### Governmental Funds:

At the end of fiscal year 2022, the State's governmental funds reported combined ending fund balances of \$14.0 billion. Approximately 74.6% is unrestricted and available for spending at the government's discretion. The remainder of fund balance is nonspendable and restricted to indicate that it is not available for new spending because it has already been allocated for: 1) inventories, 2) to pay debt service, 3) for loans receivable, and 4) for a variety of other purposes.

Fund balances (in thousands) for governmental funds are as follows:

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Total
Nonspendable	\$ 161,279	\$ —	\$ 219	\$ 46,849	\$ 73,091	\$ 281,438
Restricted	999,191	479,940	247,664	1,083,032	460,833	3,270,660
Committed	760,316	5,317	1,986,022	—	423,317	3,174,972
Assigned	207,622	36,969	100,538	—	344,003	689,132
Unassigned	6,555,818	—	—	—	—	6,555,818
<b>Total</b>	<b>\$ 8,684,226</b>	<b>\$ 522,226</b>	<b>\$ 2,334,443</b>	<b>\$ 1,129,881</b>	<b>\$ 1,301,244</b>	<b>\$ 13,972,020</b>

The General Fund is the chief operating fund of the State. At the end of fiscal year 2022, the State's General Fund reported a total fund balance of \$8.7 billion, an increase of \$4.0 billion from fiscal year 2021. Investments increased by \$4.0 billion. Other significant changes from fiscal year 2021 includes an increase in cash of \$2.2 billion, offset by an increase in unearned revenue of \$2.4 billion. These increases are mainly due to an increase of \$2.1 billion in tax revenue and \$2.7 billion received in federal ARPA funds, \$2.6 billion of which is not yet spent and, therefore, not yet earned.

The Public Education Fund provides general and special education services to the children of the State and other related functions, such as library services and student loans. Fund balance ended the year with a balance of \$522.2 million, an increase of \$120.0 million or a 29.8% increase from fiscal year 2021. This was mainly due to an increase of \$35.0 million in cash and an increase of \$70.8 million in investments which was mainly due to a \$124.5 million increase in sales and use tax..

The Conservation and Environmental Protection Fund provides the preservation of the State's wildlife and environment. At the end of fiscal year 2022, the fund balance was \$2.3 billion, a decrease of \$30.6 million from fiscal year 2021. Cash and cash equivalents and investments increased \$67.7 million while loans receivable decreased \$108.2 million.

The Missouri Road Fund accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system. Total fund balance decreased \$68.4 million from fiscal year 2021. Revenues totaled \$1.3 billion while expenditures totaled \$2.0 billion. Total revenues decreased by \$326.6 million from fiscal year 2021, mainly due to a decrease of \$319.0 million in Contributions and Intergovernmental from federal grants revenue.

### Proprietary Funds:

The State has two major proprietary funds: State Lottery and Unemployment Compensation. The State Lottery Fund was established in 1986 to account for the sale of lottery tickets and lottery operations. Since 1992, public education has been the sole beneficiary of lottery proceeds. Unemployment Compensation accounts for contributions and payments collected from Missouri employers under the provision of the "Unemployment Compensation Law." This tax finances benefits for workers who become unemployed through no fault of their own.

The State Lottery Fund's net position decreased by \$6.2 million in fiscal year 2022, due mainly to fluctuation in market yields, which increase or reduce the unrealized gain on investments. Total operating revenues decreased by 1.0% and operating expenses decreased by 0.6% in fiscal year 2022. Ticket sales decreased by \$18.5 million which also led to a decrease in prize expenses of \$1.6 million. The decrease was mainly the result of a decline in Scratcher ticket sales of \$20.4 million.

The Unemployment Compensation Fund's net position increased by \$174.9 million during fiscal year 2022. This is mainly due to an increase in cash of \$151.6 million and an increase in accounts receivable of \$24.8 million. Additionally, revenues, mainly Federal Contracts, decreased by \$2.8 billion and unemployment benefits expense decreased by \$3.4 billion. The increase in cash as well as the decrease in expenses are due to a decline in benefits paid compared to what was paid during the pandemic. The decrease in revenues is a result of the state no longer receiving federal pandemic revenues at the rate seen in fiscal year 2021. The increase in accounts receivable is due to the increase of overpayments established from pandemic programs that were paid in prior years.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The original budget is the appropriated budget that is truly agreed to and finally passed by the legislature, and signed by the Governor at the beginning of the fiscal year. The final budget includes emergency and supplemental appropriations, reverted amounts, and increases to estimated appropriations, which occur during the fiscal year.

Budgeted charges to appropriations for fiscal year 2022 from the General Fund were \$35.1 billion original budget and \$40.1 billion final budget. Actual spending was \$30.4 billion. Reasons for the final budget variances include:

- Appropriation authority exceeded cash available for expenditures.
- Lapse of various appropriations.
- Multiple year grants are appropriated in one year, but the expenditures may occur over several years.
- Capital improvement appropriations were restricted during the budget process.

Budgeted revenues/transfers in for fiscal year 2022 for the General Fund were \$37.4 billion original budget and \$39.3 billion final budget. Actual revenue/transfers in was \$36.9 billion.

Refer to the *Notes to RSI*, Budgetary Reporting, on page 141 for more information on budgetary variances.

## GOVERNMENT-WIDE CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets:

The State's investment in capital assets for its governmental and business-type activities as of June 30, 2022, was \$34.7 billion (net of accumulated depreciation/amortization). This investment in capital assets includes construction in progress, software in progress, infrastructure in progress, land, permanent easements, land improvements, temporary easements, buildings and improvements, equipment, software, trademarks, infrastructure, and intangible right-to-use assets related to leases.

### Capital Assets of the State include (in thousands):

	Governmental Activities	Business-Type Activities	Total
Construction in Progress	\$ 210,683	\$ 3,388	\$ 214,071
Software in Progress	123,671	—	123,671
Infrastructure in Progress	2,135,471	—	2,135,471
Land	3,102,979	32,794	3,135,773
Permanent Easements	7	2	9
Land Improvements	255,084	52,819	307,903
Temporary Easements	6,342	52	6,394
Buildings and Improvements	3,819,632	58,425	3,878,057
Equipment	1,508,917	44,406	1,553,323
Software	331,811	562	332,373
Trademarks	17	—	17
Infrastructure	53,559,574	—	53,559,574
Land - Right-to-Use	607	—	607
Temporary Easements - Right-to-Use	24	—	24
Buildings - Right-to-Use	91,809	1,866	93,675
Equipment - Right-to-Use	1,786	518	2,304
Infrastructure - Right-to-Use	25,244	—	25,244
<i>Subtotal</i>	<i>65,173,658</i>	<i>194,832</i>	<i>65,368,490</i>
Less Accumulated Depreciation/ Amortization	(30,627,102)	(82,940)	(30,710,042)
<b>Total Capital Assets, Net</b>	<b>\$ 34,546,556</b>	<b>\$ 111,892</b>	<b>\$ 34,658,448</b>

Additional information on capital assets can be found in *Note 5* of this report.

### Debt Administration:

At the end of fiscal year 2022, the primary government had total general obligation and other bonded debt outstanding of \$2.0 billion. Of this amount, \$12.1 million comprises debt backed by the full faith and credit of the government. The State had an additional \$31.4 million of financed purchases from direct borrowings obligation outstanding.

Principal amounts retired or refunded in fiscal year 2022 were \$16.6 million for general obligation bonds, \$306.8 million for other bonds, and \$16.6 million for direct borrowings.

The State of Missouri is proud to have maintained a Triple-A credit rating since 1989 from all three major credit rating agencies (Moody's Investor Services, Inc., Standard and Poor's, and Fitch Ratings, Inc.) on the State's General Obligation Bonds.

### Outstanding Bonds Payable Financed Purchase Obligation of the State include (in thousands):

	Governmental Activities	Business-type Activities	Component Units	Total
General Obligation Bonds	\$ 12,090	\$ —	\$ —	\$ 12,090
Other Bonds	1,950,235	57,575	2,100,219	4,108,029
Direct Placements	—	—	145,104	145,104
Financed Purchases from Direct Borrowings	31,417	—	77,482	108,899
<b>Total</b>	<b>\$ 1,993,742</b>	<b>\$ 57,575</b>	<b>\$ 2,322,805</b>	<b>\$ 4,374,122</b>

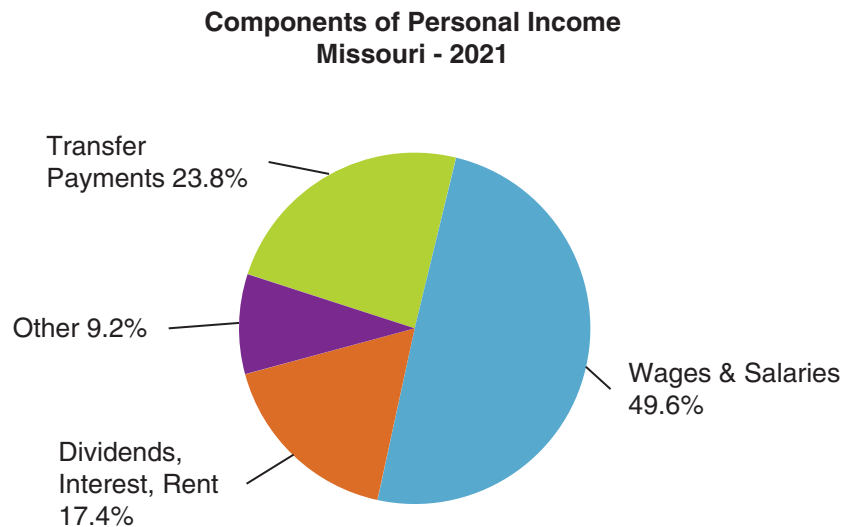
Additional information on long-term debt can be found in *Notes 10, 11, and 12* of this report.

## ECONOMIC OUTLOOK AND NEXT YEAR'S BUDGET

As a major manufacturing, financial, and agricultural state, Missouri's economic health is tied closely to that of the nation. The recovery after the COVID-19 induced recession was strong and is now nearly complete. Missouri's economy continues to expand; however, there are growing headwinds from inflation, energy market shocks, volatile stock markets, and geopolitical conflicts.

Missouri's personal income, which directly impacts individual income tax and sales tax, increased 7.0% in 2021. The strong personal income growth was primarily due to federal stimulus payments. Missouri's employment stood at 2.9 million in June 2022, about 2.3% higher than in June 2021. The state's seasonally adjusted unemployment rate registered 2.8% in June 2022, compared to 4.4% one year earlier. The national rate was 3.6% in June 2022.

Since 2015, personal incomes have increased, on average, 3.7% annually for the state and 4.3% for the nation. The average income of a Missouri citizen was \$55,159 in 2021, which was lower than the national average of \$63,444. Missouri's per capita personal income grew 6.7%, compared to national growth in per capita income of 7.3%, from 2020 to 2021. While the State's per capita income is lower than the national average, so is the cost of living. Missouri is among the most affordable states as it had the twelfth lowest cost of living in the United States during the first quarter of 2022. The below graph depicts the components of personal income, with transfer payments (such as social security, Medicare, etc.) comprising 23.8% of the State's total personal income, due in part to the State's aging population and federal COVID-19 related stimulus payments.



*Source: U.S. Bureau of Economic Analysis 2022*

The State of Missouri's net general revenue collections in fiscal year 2022 were \$12.9 billion, a 14.6% increase from fiscal year 2021 collections. This increase reflects strong growth in all major tax categories.

The State's economic outlook for Fiscal Year 2023 anticipates continued improvement in employment and wages, while consumption is expected to slow as federal stimulus wanes. Since Fiscal Year 2022 finished significantly above forecast, the Governor has begun Fiscal Year 2023 with no restrictions in place on general revenue spending. However, the Governor may restrict spending during the fiscal year if necessary.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the State's finances for all those with an interest in the State's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Administration, Division of Accounting, P.O. Box 809, Jefferson City, MO 65102.



*The **Basic Financial Statements** include the Government-Wide Financial Statements, the Governmental Fund Financial Statements, the Proprietary Fund Financial Statements, the Fiduciary Fund Financial Statements, the Component Unit Financial Statements, and the accompanying notes to the statements.*



**STATE OF MISSOURI**  
**STATEMENT OF NET POSITION**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Units
<b>Assets</b>				
Cash and Cash Equivalents (Note 3)	\$ 5,215,664	\$ 831,201	\$ 6,046,865	\$ 719,040
Investments (Note 3)	9,866,955	144,143	10,011,098	3,320,592
Invested Securities Lending Collateral (Note 3)	—	—	—	4,477
Receivables, Net (Note 13)	6,272,316	193,372	6,465,688	734,866
Internal Balances	45,747	(45,747)	—	—
Inventories	165,260	4,685	169,945	65,124
Deposits and Prepaid Expenses	691	—	691	45,222
Restricted Assets:				
Cash and Cash Equivalents (Note 3)	46,824	—	46,824	469,643
Investments (Note 3)	14,547	31,859	46,406	1,951,491
Receivables, Net	—	—	—	73,991
Other Assets	—	—	—	17,640
Capital Assets (Note 5):				
Not being depreciated	5,572,811	36,184	5,608,995	499,066
Being depreciated/amortized, net	28,973,745	75,708	29,049,453	5,310,725
Total Assets	56,174,560	1,271,405	57,445,965	13,211,877
<b>Deferred Outflows of Resources (Note 14)</b>	1,626,542	7,697	1,634,239	574,301
<b>Liabilities</b>				
Payables (Note 13)	2,109,328	56,392	2,165,720	527,623
Securities Lending Obligation (Note 3)	—	—	—	4,477
Unearned Revenue (Note 1)	2,813,583	1,397	2,814,980	186,565
Escheat/Unclaimed Property	127,351	—	127,351	—
Long-Term Liabilities:				
Due Within One Year (Note 10)	790,175	104,593	894,768	292,540
Due in More Than One Year (Note 10)	13,866,771	205,420	14,072,191	4,626,376
Total Liabilities	19,707,208	367,802	20,075,010	5,637,581
<b>Deferred Inflows of Resources (Note 14)</b>	1,679,954	9,125	1,689,079	471,932
<b>Net Position</b>				
Net Investment in Capital Assets	32,817,336	52,443	32,869,779	3,408,864
Restricted for:				
Budget Reserve	750,513	—	750,513	—
Debt Service	602,654	—	602,654	—
Grants	997,469	—	997,469	—
Enabling Legislation (Note 1)	895,814	—	895,814	—
Loans Receivable	1,503,620	—	1,503,620	—
Permanent Trusts:				
Expendable	110	—	110	762,172
Non-Expendable	67,054	—	67,054	1,629,128
External Parties	1,277,329	19,331	1,296,660	96,602
Unrestricted	(2,497,959)	830,401	(1,667,558)	1,779,899
Total Net Position	\$ 36,413,940	\$ 902,175	\$ 37,316,115	\$ 7,676,665

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary Government:</b>				
Governmental Activities:				
General Government	\$ 1,388,801	\$ 611,252	\$ 2,651,356	\$ —
Education	9,056,710	16,932	2,389,686	—
Natural and Economic Resources	1,501,480	293,504	527,080	7
Transportation and Law Enforcement	2,297,701	266,410	406,143	872,721
Human Services	17,459,743	578,645	10,218,930	—
Interest on Debt (Excluding Direct Expense)	79,943	14,063	—	—
Total Governmental Activities	<u>31,784,378</u>	<u>1,780,806</u>	<u>16,193,195</u>	<u>872,728</u>
Business-Type Activities:				
State Lottery	1,424,911	1,809,209	—	—
Unemployment Compensation	254,450	—	420,908	—
State Fair Fees	4,794	5,125	180	—
State Parks and DNR	15,456	12,474	2,773	—
Historic Preservation	412	1	—	—
Petroleum Storage Tank Insurance	17,047	17,270	—	—
Surplus Property	1,368	978	—	—
Revenue Information	7	576	—	—
Inmate Canteen Fund	30,891	31,112	35	—
Total Business-Type Activities	<u>1,749,336</u>	<u>1,876,745</u>	<u>423,896</u>	<u>—</u>
Total Primary Government	<u>\$ 33,533,714</u>	<u>\$ 3,657,551</u>	<u>\$ 16,617,091</u>	<u>\$ 872,728</u>
Component Units:				
College and Universities	\$ 5,302,736	\$ 3,578,170	\$ 1,820,509	\$ 58,514
Non-Major Component Units	11,362	7,926	—	—
Total Component Units	<u>\$ 5,314,098</u>	<u>\$ 3,586,096</u>	<u>\$ 1,820,509</u>	<u>\$ 58,514</u>

General Revenues:

Taxes:

Sales and Use

Individual Income

Corporate Income

County Foreign Insurance

Alcoholic Beverage

Fuel

Miscellaneous Taxes

Grants and Contributions not Restricted to Specific Programs

Unrestricted Investment Earnings

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

Net (Expenses) Revenues and Changes in Net Position				
Primary Government				
Governmental Activities	Business-Type Activities	Total	Component Units	
\$ 1,873,807	\$ —	\$ 1,873,807	\$ —	
(6,650,092)	—	(6,650,092)	—	
(680,889)	—	(680,889)	—	
(752,427)	—	(752,427)	—	
(6,662,168)	—	(6,662,168)	—	
(65,880)	—	(65,880)	—	
(12,937,649)	—	(12,937,649)	—	
—	384,298	384,298	—	
—	166,458	166,458	—	
—	511	511	—	
—	(209)	(209)	—	
—	(411)	(411)	—	
—	223	223	—	
—	(390)	(390)	—	
—	569	569	—	
—	256	256	—	
—	551,305	551,305	—	
(12,937,649)	551,305	(12,386,344)	—	
—	—	—	154,457	
—	—	—	(3,436)	
—	—	—	151,021	
4,386,219	—	4,386,219	—	
9,635,689	—	9,635,689	—	
876,853	—	876,853	—	
290,988	—	290,988	—	
43,803	—	43,803	—	
783,909	—	783,909	—	
750,712	—	750,712	—	
1,019,257	—	1,019,257	2,769	
(409,115)	2,128	(406,987)	(162,262)	
386,487	(386,487)	—	—	
17,764,802	(384,359)	17,380,443	(159,493)	
4,827,153	166,946	4,994,099	(8,472)	
31,586,787	735,229	32,322,016	7,685,137	
\$ 36,413,940	\$ 902,175	\$ 37,316,115	\$ 7,676,665	

The notes to the financial statements are an integral part of this statement.



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*The **Governmental Funds** focus on current financial resources.*

## ***Governmental Fund Financial Statements***

### **Major Funds**

**General Fund** - Accounts for all current financial resources not required by law or administrative action to be accounted for in another fund.

#### **Major Special Revenue Funds:**

**Public Education** - Provides general and special education needs of the State and other related areas such as library services and student loans.

**Conservation and Environmental Protection** - Provides for the preservation of the State's wildlife and environment.

#### **Major Capital Projects Fund:**

**Missouri Road Fund** - Accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system.

### **Non-Major Funds**

Non-Major Governmental Funds are presented in the Combining and Individual Fund Statements for non-major funds as part of Supplementary Information.

**STATE OF MISSOURI  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2022  
(In Thousands of Dollars)**

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Totals June 30, 2022
<b>ASSETS</b>						
Cash and Cash Equivalents (Note 3)	\$ 4,059,841	\$ 141,500	\$ 126,152	\$ 278,316	\$ 375,315	\$ 4,981,124
Investments (Note 3)	6,976,831	190,694	700,046	921,885	788,363	9,577,819
Receivables, Net	4,139,432	178,624	1,518,810	134,622	214,009	6,185,497
Due from Other Funds (Note 15)	—	43,490	—	—	777	44,267
Inventories	101,545	—	219	46,354	6,037	154,155
Prepaid Items	—	—	—	495	—	495
Restricted Assets:						
Cash and Cash Equivalents (Note 3)	—	—	40,794	4,301	—	45,095
Investments (Note 3)	—	—	—	14,247	—	14,247
Total Assets	<u>\$15,277,649</u>	<u>\$ 554,308</u>	<u>\$ 2,386,021</u>	<u>\$1,400,220</u>	<u>\$1,384,501</u>	<u>\$21,002,699</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ 1,756,834	\$ 629	\$ 18,377	\$ 122,098	\$ 57,549	\$ 1,955,487
Accrued Payroll	64,358	170	5,790	17,871	15,061	103,250
Due to Other Funds (Note 15)	5,167	—	270	356	984	6,777
Unearned Revenue (Note 1)	2,666,566	—	182	117,169	145	2,784,062
Escheat/Unclaimed Property	127,351	—	—	—	—	127,351
Total Liabilities	<u>4,620,276</u>	<u>799</u>	<u>24,619</u>	<u>257,494</u>	<u>73,739</u>	<u>4,976,927</u>
<b>DEFERRED INFLOWS OF RESOURCES (Note 14)</b>						
	<u>1,973,147</u>	<u>31,283</u>	<u>26,959</u>	<u>12,845</u>	<u>9,518</u>	<u>2,053,752</u>
<b>FUND BALANCES (Note 4)</b>						
Nonspendable	161,279	—	219	46,849	73,091	281,438
Restricted	999,191	479,940	247,664	1,083,032	460,833	3,270,660
Committed	760,316	5,317	1,986,022	—	423,317	3,174,972
Assigned	207,622	36,969	100,538	—	344,003	689,132
Unassigned	6,555,818	—	—	—	—	6,555,818
Total Fund Balances	<u>8,684,226</u>	<u>522,226</u>	<u>2,334,443</u>	<u>1,129,881</u>	<u>1,301,244</u>	<u>13,972,020</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$15,277,649</u>	<u>\$ 554,308</u>	<u>\$ 2,386,021</u>	<u>\$1,400,220</u>	<u>\$1,384,501</u>	<u>\$21,002,699</u>

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI**  
**RECONCILIATION OF THE BALANCE SHEET OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**June 30, 2022**  
**(In Thousands of Dollars)**

Total Fund Balances - Governmental Funds	\$ 13,972,020
--	---------------

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental funds are not financial resources and are not reported in the funds. These assets consist of (Note 5):

Non Depreciable Capital Assets	5,564,141	
Capital Assets being depreciated/amortized	58,901,598	
Accumulated Depreciation/Amortization	(30,186,974)	
		34,278,765

Deferred inflows of resources related to the State's revenues that will be collected after year-end, but are not available soon enough to pay for the current period's expenditures are deferred in the funds.	2,052,690
--	-----------

Deferred inflows of resources related to the State's lease revenues that will be collected after year-end, but are not available soon enough to pay for the current period's expenditures are deferred in the funds.	1,062
--	-------

Deferred outflows of resources related to pensions and OPEB (Other Postemployment Benefits) are applicable to future reporting periods and therefore, not reported in the funds.	1,585,825
--	-----------

Deferred outflows of resources related to asset retirement obligations are applicable to future reporting periods and therefore, not reported in the funds.	770
---	-----

Deferred inflows of resources related to pensions and OPEB are applicable to future reporting periods and therefore, not reported in the funds.	(1,644,241)
---	-------------

Deferred outflows of resources related to deferred charges or credits on debt refundings are applicable to future reporting periods and therefore, not reported in the funds.	11,116
---	--------

Deferred inflows of resources related to deferred charges or credits on debt refundings are applicable to future reporting periods and therefore, not reported in the funds.	(1,794)
--	---------

Some liabilities are not due and payable in the current period and therefore, not reported in the funds. Those liabilities consist of (Note 10):

Due to Other Entities	(7,035)	
General Obligation and Other Bonds Payable	(1,962,325)	
Unamortized Bond Premium	(94,557)	
Accrued Interest on Bonds	(18,072)	
Obligation under Financed Purchases	(6,083)	
Lease Liability	(100,781)	
Pollution Remediation	(50,261)	
Asset Retirement Obligations	(1,812)	
Compensated Absences	(192,559)	
Claims Liability	(81,322)	
Contingent Liabilities	(2,385,865)	
Net Other Postemployment Benefit Obligation	(3,117,375)	
Net Pension Liability	(6,290,521)	
		(14,308,568)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The assets and liabilities are included in governmental activities in the Statement of Net Position.

	466,295
Net Position of Governmental Activities	\$ 36,413,940

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Eliminations	Totals June 30, 2022
<b>Revenues:</b>							
Taxes	\$12,981,480	\$ 1,573,114	\$ 273,628	\$ 197,418	\$1,205,857	\$ —	\$ 16,231,497
Licenses, Fees, and Permits	110,203	1,315	96,770	114,959	443,554	—	766,801
Sales	3,107	5	7,686	—	4,846	—	15,644
Leases and Rentals	9	48	599	—	1	—	657
Services	134,173	300	—	—	13,483	—	147,956
Contributions and Intergovernmental	16,632,319	34,184	102,501	935,121	376,163	—	18,080,288
Investment Earnings:							
Net Increase (Decrease) in the Fair Value of Investments	(309,337)	(8,433)	(41,477)	(60,909)	(35,338)	—	(455,494)
Interest	40,786	826	4,709	11,957	3,022	—	61,300
Penalties and Unclaimed Properties	67,632	1,594	1,540	—	6,752	—	77,518
Cost Reimbursement/ Miscellaneous	323,826	50,214	7,837	78,364	60,736	—	520,977
Total Revenues	29,984,198	1,653,167	453,793	1,276,910	2,079,076	—	35,447,144
<b>Expenditures:</b>							
Current:							
General Government	791,146	484	2,265	—	388,044	—	1,181,939
Education	6,154,773	2,886,054	—	—	3,100	—	9,043,927
Natural and Economic Resources	632,386	12,173	481,885	—	243,437	—	1,369,881
Transportation and Law Enforcement	484,604	131	586	804,493	415,602	—	1,705,416
Human Services	16,566,480	2,274	1,276	—	586,288	—	17,156,318
Capital Outlay:							
General Government	—	—	—	—	9,764	—	9,764
Natural and Economic Resources	—	—	—	—	527	—	527
Transportation and Law Enforcement	—	—	—	1,089,616	—	—	1,089,616
Human Services	—	—	—	—	2,735	—	2,735
Debt Service:							
Principal	79,452	—	367	78,197	179,761	—	337,777
Interest	24,462	—	45	25,819	56,082	—	106,408
Total Expenditures	24,733,303	2,901,116	486,424	1,998,125	1,885,340	—	32,004,308
Excess Revenues (Expenditures)	5,250,895	(1,247,949)	(32,631)	(721,215)	193,736	—	3,442,836
<b>Other Financing Sources (Uses):</b>							
Proceeds from Notes/Leases/ Financed Purchases	15,275	—	1,708	51	2,973	—	20,007
Proceeds From Bonds	—	—	—	88,955	—	—	88,955
Bond Premium (Note 10)	—	—	—	11,439	—	—	11,439
Proceeds from Sale of Capital Assets	182	—	5	4,560	9,714	—	14,461
Transfers In (Note 16)	48,163	1,397,235	2,179	547,400	270,375	(1,866,877)	398,475
Transfers Out (Note 16)	(1,318,650)	(29,335)	(1,852)	—	(526,154)	1,866,877	(9,114)
Total Other Financing Sources (Uses)	(1,255,030)	1,367,900	2,040	652,405	(243,092)	—	524,223
Net Change in Fund Balances	3,995,865	119,951	(30,591)	(68,810)	(49,356)	—	3,967,059
Fund Balances - Beginning (Note 17)	4,697,299	402,399	2,365,043	1,198,691	1,352,431	—	10,015,863
Increase (Decrease) in Reserve for Inventory	(8,938)	(124)	(9)	—	(1,831)	—	(10,902)
Fund Balances - Ending	\$ 8,684,226	\$ 522,226	\$ 2,334,443	\$1,129,881	\$1,301,244	\$ —	\$ 13,972,020

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES IN**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

Net Change in Fund Balances - Total Governmental Funds	\$ 3,967,059
--	--------------

Amounts reported for governmental activities in the Statement of Activities are different because:

Inventories, which are recorded under the purchases method for governmental fund reporting, are reported under the consumption approach on the Statement of Activities. As a result of this change, the Increase in Reserve for Inventories on the fund statement has been reclassified as a functional expense on the government-wide statement.	(10,902)
---	----------

Governmental funds report capital outlays as expenditures. In the Statement of Activities, however, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount that capital outlays of \$1,232,589 , exceeds depreciation/amortization of \$807,278 in the current period.	425,311
---	---------

In the Statement of Activities only the gain/loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources. Thus the change in net position differs from the change in governmental fund balance by the net book value of the assets sold.	(9,655)
--	---------

The net effect of the donation of capital assets increased net position.	26
--	----

Deferred inflows do not provide current financial resources and are not recognized as revenues until available in governmental funds.	517,579
---	---------

Pension and OPEB (Other Postemployment Benefits) contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability and OPEB liability are measured a year before the report date. Pension expense and OPEB expense, which are the change in the net pension liability and the net change in OPEB liability, adjusted for changes in deferred outflows and inflows of resources related to pensions and OPEB, is reported in the Statement of Activities.

Pension Contributions	629,147
Pension Expense	(763,358)
OPEB Contributions	91,959
OPEB Expense	(141,801)

Deferred outflows of resources related to deferred charges on asset retirement obligations are applicable to future reporting periods and therefore, not reported in the funds.	(23)
---	------

Proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. In governmental funds, repayment of principal is an expenditure, but the repayment reduces long-term liabilities in the Combined Statement of Net Position (Note 10):

Bonds Issued	(88,955)	
Bond Premiums and Refunding Costs	(11,439)	
Bonds Retired	320,080	
Financed Purchases Issued	(2,533)	
Financed Purchase Payments	7,054	
Leases Issued	(17,448)	
Lease Payments	15,162	
	221,921	

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, not reported as expenditures in governmental funds (Note 10):

Amortization of Bond Premium and Refunding Costs	28,834	
Decrease in Accrued Interest	2,182	
Increase in Pollution Remediation	(2,127)	
Increase in Asset Retirement Obligations	(13)	
Increase in Due to Other Entities	(6,223)	
Increase in Compensated Absences	(2,176)	
Increase in Contingent Liabilities	(100,455)	
Decrease in Claims Liability	(59,243)	
	(139,221)	

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue and expense of internal service funds are reported with governmental activities.

39,111

Change in Net Position of Governmental Activities	\$ 4,827,153
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\$ 4,827,153

The notes to the financial statements are an integral part of this statement.





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*The **Proprietary Funds** focus on economic resources and are operated in a manner similar to private business enterprises.*

### ***Proprietary Fund Financial Statements***

#### **Major Funds**

**State Lottery** - Accounts for proceeds from the sale of lottery tickets and all other moneys credited or transferred to this fund. A minimum of 45% of the moneys are used for prizes.

**Unemployment Compensation** - Accounts for contributions and payments collected under the provisions of the "Unemployment Compensation Law" to pay benefits.

#### **Non-Major Funds**

Non-major enterprise funds and all internal service funds are presented in our combining non-major fund financial statements as part of Supplementary Information.

**STATE OF MISSOURI  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2022  
(In Thousands of Dollars)**

	Business-Type Activities - Enterprise Funds				
	Major Funds			Totals	Governmental Activities Internal Service Funds
	State Lottery	Unemployment Compensation	Non-Major Funds	June 30, 2022	
<b>ASSETS</b>					
Current Assets:					
Cash and Cash Equivalents (Note 3)	\$ 43,284	\$ 754,015	\$ 33,902	\$ 831,201	\$ 234,540
Investments (Note 3)	41,302	—	102,841	144,143	157,744
Restricted:					
Investments (Note 3)	3,847	—	—	3,847	100
Receivables, net	61,921	128,370	2,686	192,977	86,100
Due from Other Funds (Note 15)	—	—	223	223	6,920
Due from Component Units (Note 15)	—	—	—	—	1
Inventories	—	—	4,685	4,685	11,105
Prepaid Items	—	—	—	—	196
Total Current Assets	150,354	882,385	144,337	1,177,076	496,706
Non-Current Assets:					
Investments	—	—	—	—	131,392
Restricted:					
Cash and Cash Equivalents (Note 3)	—	—	—	—	1,729
Investments (Note 3)	28,012	—	—	28,012	200
Receivables, net	—	—	395	395	718
Capital Assets (Note 5):					
Non Depreciable Capital Assets	361	—	35,823	36,184	8,670
Capital Assets being depreciated/amortized	14,178	—	144,470	158,648	699,249
Less Accumulated Depreciation/Amortization	(11,836)	—	(71,104)	(82,940)	(440,128)
Total Non-Current Assets	30,715	—	109,584	140,299	401,830
Total Assets	181,069	882,385	253,921	1,317,375	898,536
<b>DEFERRED OUTFLOWS OF RESOURCES (Note 14)</b>	4,161	—	3,536	7,697	28,831
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	6,551	45,986	2,928	55,465	21,511
Accrued Interest Payable	—	—	303	303	—
Accrued Payroll	328	—	296	624	2,149
Due to Other Funds (Note 15)	43,543	777	17	44,337	9,155
Unearned Revenue (Note 1)	900	—	497	1,397	29,521
Claims Liability (Note 10)	—	—	11,000	11,000	91,610
Grand Prize Winner Liability (Note 10)	89,047	—	—	89,047	—
Obligations under Financed Purchases (Note 10)	—	—	—	—	5,525
Lease Liability (Note 10)	435	—	112	547	794
Compensated Absences (Note 10)	826	—	568	1,394	4,052
Bonds Payable (Note 10)	—	—	2,605	2,605	—
Total Current Liabilities	141,630	46,763	18,326	206,719	164,317
Non-Current Liabilities:					
Claims Liability (Note 10)	—	—	78,216	78,216	56,200
Grand Prize Winner Liability (Note 10)	28,611	—	—	28,611	—
Obligations under Financed Purchases (Note 10)	—	—	—	—	19,809
Lease Liability (Note 10)	996	—	331	1,327	2,038
Compensated Absences (Note 10)	—	—	32	32	869
Asset Retirement Obligations (Note 10)	—	—	2	2	—
Net OPEB Liability (Note 10)	7,234	—	3,873	11,107	48,598
Net Pension Liability (Note 10)	19,813	—	11,447	31,260	136,955
Bonds Payable (Note 10)	—	—	54,970	54,970	—
Discount on Bonds Payable	—	—	(105)	(105)	—
Total Non-Current Liabilities	56,654	—	148,766	205,420	264,469
Total Liabilities	198,284	46,763	167,092	412,139	428,786
<b>DEFERRED INFLOWS OF RESOURCES (Note 14)</b>	4,631	—	4,494	9,125	33,919
<b>NET POSITION</b>					
Net Investment in Capital Assets	1,272	—	51,171	52,443	239,625
Restricted for:					
Other Purposes	—	19,331	—	19,331	2,029
Unrestricted	(18,957)	816,291	34,700	832,034	223,008
Total Net Position (Note 18)	\$ (17,685)	\$ 835,622	\$ 85,871	\$ 903,808	\$ 464,662
Total Net Position Reported Above				\$ 903,808	
Consolidation Adjustment of Internal Service Activities Related to Enterprise Funds				(1,633)	
Net Position of Business-Type Activities				\$ 902,175	

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Business-Type Activities - Enterprise Funds				
	Major Funds			Totals	Governmental Activities Internal Service Funds
	State Lottery	Unemployment Compensation	Non-Major Funds	June 30, 2022	
<b>Operating Revenues:</b>					
Employer Contributions	\$ —	\$ 354,604	\$ —	\$ 354,604	\$ 562,015
Employee Contributions	—	—	—	—	141,704
Federal Contracts	—	66,304	—	66,304	—
Medicare Part D Subsidy	—	—	—	—	8,620
Licenses, Fees, and Permits	—	—	29,831	29,831	6,895
Sales	1,809,080	—	32,215	1,841,295	20,532
Leases and Rentals	—	—	4,269	4,269	65,396
Charges for Services	—	—	—	—	144,794
Cost Reimbursement/Miscellaneous	129	—	1,705	1,834	65,541
Total Operating Revenues	1,809,209	420,908	68,020	2,298,137	1,015,497
<b>Operating Expenses:</b>					
Cost of Goods Sold	32,292	—	25,908	58,200	20,358
Personal Service	12,992	—	12,511	25,503	87,884
Operations	104,610	—	13,557	118,167	118,223
Prizes Expense	1,264,392	—	—	1,264,392	—
Specific Programs	—	—	10,438	10,438	38,575
Insurance Benefits	—	—	—	—	658,157
Unemployment Benefits	—	254,450	—	254,450	—
Depreciation/Amortization	1,193	—	5,988	7,181	25,257
Other Charges	9,508	—	682	10,190	11,384
Total Operating Expenses	1,424,987	254,450	69,084	1,748,521	959,838
Operating Income (Loss)	384,222	166,458	(1,064)	549,616	55,659
<b>Non-Operating Revenues (Expenses):</b>					
Contributions and Intergovernmental	—	—	2,988	2,988	105
Interest Expense	—	—	(810)	(810)	(4,552)
Investment Earnings:					
Net Increase (Decrease) in the					
Fair Value of Investments	(5,690)	—	(3,317)	(9,007)	(11,797)
Interest	226	10,276	633	11,135	2,172
Bond Related Expenses	—	—	(488)	(488)	—
Disposal of Capital Assets	36	—	359	395	2
Total Non-Operating Revenues (Expenses)	(5,428)	10,276	(635)	4,213	(14,070)
Income (Loss) Before Transfers	378,794	176,734	(1,699)	553,829	41,589
Transfers In (Note 16)	—	8,119	977	9,096	28
Transfers Out (Note 16)	(384,985)	(9,932)	(666)	(395,583)	(2,902)
Change in Net Position	(6,191)	174,921	(1,388)	167,342	38,715
Total Net Position - Beginning (Note 17)	(11,494)	660,701	87,259	736,466	425,947
Total Net Position - Ending (Note 18)	\$ (17,685)	\$ 835,622	\$ 85,871	\$ 903,808	\$ 464,662
Total Net Change in Net Assets Reported Above				\$ 167,342	
Consolidation Adjustment of Internal Services Activities Related to Enterprise Funds				(396)	
Change in Net Assets of Business-Type Activities				\$ 166,946	

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Business-Type Activities - Enterprise Funds				
	Major Funds			Totals	Governmental Activities Internal Service Funds
	State Lottery	Unemployment Compensation	Non-Major Funds	June 30, 2022	
<b>Cash Flows from Operating Activities:</b>					
Receipts from Internal Customers and Users	\$ —	\$ —	\$ 305	\$ 305	\$ 741,964
Receipts from External Customers and Users	1,806,846	396,144	65,518	2,268,508	199,170
Payments to Suppliers	(139,709)	—	(40,077)	(179,786)	(140,920)
Payments to Employees	(12,006)	—	(11,031)	(23,037)	(80,932)
Payments Made for Program Expense	(1,280,410)	(252,258)	(8,435)	(1,541,103)	(684,105)
Other Receipts	129	—	1,705	1,834	65,541
Other Payments	(9,508)	—	(787)	(10,295)	(11,384)
Net Cash Provided (Used) by Operating Activities	365,342	143,886	7,198	516,426	89,334
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Loans Made to Outside Entities	—	—	21	21	—
Leases Made to Outside Entities	—	—	407	407	—
Due to Other Funds	(15,280)	(776)	2	(16,054)	(31,273)
Due from Other Funds	—	—	(69)	(69)	1,978
Contributions and Intergovernmental	—	—	2,988	2,988	105
Transfers to Other Funds	(384,985)	(9,932)	(666)	(395,583)	(2,902)
Transfers from Other Funds	—	8,119	977	9,096	28
Net Cash Provided (Used) by Non-Capital Financing Activities	(400,265)	(2,589)	3,660	(399,194)	(32,064)
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Interest Expense	—	—	(507)	(507)	(4,552)
Purchases and Construction of Capital Assets	(230)	—	(5,252)	(5,482)	(7,401)
Lease Downpayment/Obligations	(437)	—	(73)	(510)	(242)
Financed Purchase Downpayment/Obligations	—	—	—	—	(8,898)
Bond Issuance	—	—	57,087	57,087	—
Disposal of Capital Assets	36	—	175	211	(202)
Net Cash Provided (Used) by Capital and Related Financing Activities	(631)	—	51,430	50,799	(21,295)
<b>Cash Flows from Investing Activities:</b>					
Proceeds from Sales and Investment Maturities	28,991	—	65	29,056	55,217
Purchase of Investments	—	—	(58,090)	(58,090)	(160,671)
Interest and Dividends Received	196	10,276	449	10,921	2,215
Investment Fees	—	—	—	—	(148)
Net Cash Provided (Used) by Investing Activities	29,187	10,276	(57,576)	(18,113)	(103,387)
Net Increase (Decrease) in Cash	(6,367)	151,573	4,712	149,918	(67,412)
Cash and Cash Equivalents, Beginning of Year	49,651	602,442	29,190	681,283	303,681
Cash and Cash Equivalents, End of Year	\$ 43,284	\$ 754,015	\$ 33,902	\$ 831,201	\$ 236,269
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Income (Loss)	\$ 384,222	\$ 166,458	\$ (1,064)	\$ 549,616	\$ 55,659
Depreciation/Amortization Expense	1,193	—	5,988	7,181	25,257
Changes in Assets and Liabilities:					
Accounts Receivable	(2,635)	(24,764)	(490)	(27,889)	(6,593)
Inventories	—	—	(576)	(576)	(545)
Deferred Outflows of Resources	(30)	—	689	659	481
Prepaid Items	—	—	—	—	57
Accounts Payable	(2,807)	2,192	(36)	(651)	(1,851)
Accrued Payroll	31	—	58	89	177
Unearned Revenue	401	—	(2)	399	(1,888)
Grand Prize Winner Liability	(16,018)	—	—	(16,018)	—
Claims Liability	—	—	2,003	2,003	12,627
Compensated Absences	21	—	86	107	68
Discount on Bonds Payable	—	—	(105)	(105)	—
Net OPEB Liability	(305)	—	(201)	(506)	(2,027)
Net Pension Liability	(2,495)	—	(2,356)	(4,851)	(18,386)
Deferred Inflows of Resources	3,764	—	3,204	6,968	26,298
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 365,342</b>	<b>\$ 143,886</b>	<b>\$ 7,198</b>	<b>\$ 516,426</b>	<b>\$ 89,334</b>
<b>Non-Cash Financing and Investing Activities:</b>					
Lease and Financed Purchase Issuance	\$ —	\$ —	\$ 419	\$ 419	\$ 6,341
Increase (Decrease) in Fair Value of Investments	(5,690)	—	(3,317)	(9,007)	(11,797)
<b>Net Non-Cash Financing and Investing Activities</b>	<b>\$ (5,690)</b>	<b>\$ —</b>	<b>\$ (2,898)</b>	<b>\$ (8,588)</b>	<b>\$ (5,456)</b>

The notes to the financial statements are an integral part of this statement.



*The **Fiduciary Funds** account for assets held in a trustee or custodial capacity for others and therefore cannot be used to support the government's own programs.*

Individual fund financial statements for pension (and other employee benefit) trust funds, private-purpose trust funds, and custodial funds are presented as part of Supplementary Information.

**STATE OF MISSOURI**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds	Custodial Funds
<b>ASSETS</b>			
Cash and Cash Equivalents (Note 3)	\$ 17,914	\$ 15,038	\$ 84,474
Investments at Fair Value (Note 3):			
U.S. Government Securities	4,544,167	4,351	691,841
U.S. Agency Sponsored Securities	—	21,148	527
Repurchase	725,000	—	99,983
Stocks	491,613	—	12
Bonds	1,328,017	—	—
International Equities	5,412	—	—
Mutual and Index Funds	1,550,734	—	—
Limited Partnership	7,161,676	—	—
Other Investments	2,152,674	1,218	31
Invested Securities Lending Collateral (Note 3)	23,800	—	—
Assets Held in Escheat	—	22,285	—
Receivables, net	1,125,414	104	730,833
Due From Other Funds	8,859	—	—
Inventories	—	1	—
Capital Assets:			
Non Depreciable Capital Assets	10,914	—	—
Capital Assets being depreciated/amortized	12,044	209	—
Less Accumulated Depreciation/Amortization	(8,331)	(195)	—
Total Capital Assets, Net	14,627	14	—
Total Assets	19,149,907	64,159	1,607,701
<b>DEFERRED OUTFLOWS OF RESOURCES (Note 14)</b>	1,362	333	—
<b>LIABILITIES</b>			
Accounts Payable	1,218,282	919	50
Obligations under Repurchase Agreements	3,685,256	—	—
Accrued Payroll	—	27	—
Due to Other Entities	—	—	—
Due to Other Governments	—	—	9,939
Securities Lending Obligation (Note 3)	24,560	—	—
Unearned Revenue (Note 1)	6,483	—	588
Claims Liability	7,010	—	—
Compensated Absences	920	53	—
Lease Liability	604	—	—
Net OPEB Liability	9,438	530	—
Net Pension Liability	—	1,425	—
Total Liabilities	4,952,553	2,954	10,577
<b>DEFERRED INFLOWS OF RESOURCES (Note 14)</b>	1,456	380	—
Net Position Restricted for Pension Benefits, OPEB, Deferred Compensation, and Other Purposes	\$ 14,197,260	\$ 61,158	\$ 1,597,124

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds	Custodial
<b>Additions:</b>			
Contributions:			
Employer	\$ 796,290	\$ —	\$ —
Plan Member	163,975	—	—
Other	150,446	—	3,384,084
Total Contributions	1,110,711	—	3,384,084
Taxes	—	—	5,611,788
Licenses, Fees, and Permits	—	—	128,527
Investment Earnings:			
Increase (Decrease) in Appreciation of Assets	(488,964)	(5,123)	62,050
Interest and Dividends	153,719	33	456
Securities Lending Income	288	—	—
Other Income (Expense)	(428,556)	—	—
Total Investment Earnings	(763,513)	(5,090)	62,506
Less Investment Expenses:			
Investment Activity Expense	(200,408)	—	(14)
Securities Lending Expense	(104)	—	—
Total Investment Expense	(200,512)	—	(14)
Net Investment Earnings (Loss)	(964,025)	(5,090)	62,492
Penalties and Unclaimed Property	—	54,222	571
Cost Reimbursement/Miscellaneous	2,508	12,275	837
Total Additions	149,194	61,407	9,188,299
<b>Deductions:</b>			
Benefits	1,480,124	—	—
Administrative Expenses	25,313	2,524	43,879
Distributions to Other Entities/Individuals	—	—	3,397,079
Distributions to Other Governments	—	—	5,516,838
Program Distributions	142,297	59,042	—
Inactive-vested Buyout Payments	696	—	—
Service Transfer Payments	4,672	—	—
Depreciation/Amortization	461	10	—
Total Deductions	1,653,563	61,576	8,957,796
Change in Net Position	(1,504,369)	(169)	230,503
Net Position - Beginning of Year (Note 17)	15,701,629	61,327	1,366,621
Net Position - End of Year	\$ 14,197,260	\$ 61,158	\$ 1,597,124

The notes to the financial statements are an integral part of this statement.



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*The **Component Units** account for all transactions relating to legally separate entities which, for reporting purposes, are a part of the State.*

### ***Component Unit Financial Statements***

#### **Major**

**College and Universities**

#### **Non-Major**

Non-Major proprietary component unit statements are found in the combining fund financial statements as part of Supplementary Information.



**STATE OF MISSOURI**  
**STATEMENT OF NET POSITION**  
**COMPONENT UNITS**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	College and Universities	Non-Major	Totals June 30, 2022
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 670,427	\$ 48,613	\$ 719,040
Investments	224,940	48,704	273,644
Invested Securities Lending Collateral	4,477	—	4,477
Receivables, Net	591,829	6,712	598,541
Inventories	65,123	1	65,124
Restricted Assets:			
Cash and Cash Equivalents	448,457	1,711	450,168
Investments	12,546	5,853	18,399
Receivables, Net	40,791	5,814	46,605
Deposits and Prepaid Expenses	44,796	426	45,222
Other Assets	2,377	—	2,377
Total Current Assets	<u>2,105,763</u>	<u>117,834</u>	<u>2,223,597</u>
Non-Current Assets:			
Investments	3,021,354	25,594	3,046,948
Receivables, Net	107,085	29,240	136,325
Restricted Assets:			
Cash and Cash Equivalents	10,908	8,567	19,475
Investments	1,915,927	17,165	1,933,092
Receivables, Net	470	26,916	27,386
Other Assets	15,263	—	15,263
Capital Assets, Net of Accumulated Depreciation/Amortization (Note 5)	5,750,973	58,818	5,809,791
Total Non-Current Assets	<u>10,821,980</u>	<u>166,300</u>	<u>10,988,280</u>
Total Assets	<u>12,927,743</u>	<u>284,134</u>	<u>13,211,877</u>
<b>DEFERRED OUTFLOWS OF RESOURCES (Note 14)</b>			
	<u>573,493</u>	<u>808</u>	<u>574,301</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	464,493	95	464,588
Due to Primary Government (Note 15)	—	1	1
Securities Lending Obligation	4,477	—	4,477
Unearned Revenue (Note 1)	165,408	—	165,408
Deposits	1,622	—	1,622
Claims Liability (Note 21)	52,168	—	52,168
Compensated Absences	82,741	112	82,853
Other Postemployment Obligations, Net	342	—	342
Lease Liability	22,724	105	22,829
Bonds/Notes/Financed Purchases Payable (Note 11)	133,774	574	134,348
Total Current Liabilities	<u>927,749</u>	<u>887</u>	<u>928,636</u>
Non-Current Liabilities:			
Accounts Payable and Accrued Liabilities	40,797	—	40,797
Unearned Revenue (Note 1)	20,507	650	21,157
Deposits and Reserves	1	20,614	20,615
Claims Liability (Note 21)	57,783	—	57,783
Compensated Absences	38,895	16	38,911
Lease Liability	81,798	221	82,019
Asset Retirement Obligation (Note 23)	62,433	—	62,433
Bonds/Notes/Financed Purchases Payable (Note 11)	2,271,721	11,884	2,283,605
Net OPEB Liability	177,257	749	178,006
Net Pension Liability	1,920,333	3,286	1,923,619
Total Non-Current Liabilities	<u>4,671,525</u>	<u>37,420</u>	<u>4,708,945</u>
Total Liabilities	<u>5,599,274</u>	<u>38,307</u>	<u>5,637,581</u>
<b>DEFERRED INFLOWS OF RESOURCES (Note 14)</b>			
	<u>463,592</u>	<u>8,340</u>	<u>471,932</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	3,362,655	46,209	3,408,864
Restricted for:			
Expendable	762,172	—	762,172
Non-Expendable	1,629,128	—	1,629,128
Other Purposes	—	96,602	96,602
Unrestricted	1,684,415	95,484	1,779,899
Total Net Position	<u>\$ 7,438,370</u>	<u>\$ 238,295</u>	<u>\$ 7,676,665</u>

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION/STATEMENT OF ACTIVITIES**  
**COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	College and Universities	Non-Major	Totals June 30, 2022	Adjustments	Statement of Activities
<b>Revenues:</b>					
Operating Revenues:					
Licenses, Fees, and Permits	\$ —	\$ 2,105	\$ 2,105	\$ —	\$ 2,105
Student Tuition and Fees (Net of Scholarship Allow.)	980,019	—	980,019	—	980,019
Sales and Services of Educational Departments	40,838	—	40,838	—	40,838
Auxiliary Enterprises	2,355,010	—	2,355,010	—	2,355,010
Leases and Rentals	—	5,526	5,526	—	5,526
Lease Interest Revenue	—	281	281	—	281
Cost Reimbursement/Miscellaneous	96,838	14	96,852	105,465	202,317
Total Charges for Services					3,586,096
Federal Appropriations, Grants, and Contracts	252,506	—	252,506	349,951	602,457
State Grants and Contracts	150,989	—	150,989	804,792	955,781
Private Gifts, Grants, and Contracts	107,545	—	107,545	110,708	218,253
Additions to Endowments	1,044	—	1,044	42,974	44,018
Total Operating Grants and Contributions					1,820,509
Interest Revenue	—	1,561	1,561	(1,561)	
Total Operating Revenues	3,984,789	9,487	3,994,276	1,412,329	
<b>Expenses:</b>					
Operating Expenses:					
Personal Service	2,987,328	2,071	2,989,399	—	2,989,399
Operations	—	3,671	3,671	—	3,671
Specific Programs	—	2,831	2,831	—	2,831
Scholarships and Fellowships	254,802	—	254,802	—	254,802
Utilities	35,965	—	35,965	—	35,965
Supplies and Other Services	1,473,126	—	1,473,126	—	1,473,126
Contracted Services	32,957	—	32,957	—	32,957
Interest Expense	—	—	—	93,863	93,863
Depreciation/Amortization	375,828	2,400	378,228	—	378,228
Miscellaneous	44,780	100	44,880	4,376	49,256
Total Operating Expenses	5,204,786	11,073	5,215,859	98,239	5,314,098
Operating Income (Loss)	(1,219,997)	(1,586)	(1,221,583)	1,314,090	
<b>Non-Operating Revenues (Expenses):</b>					
Federal Appropriations, Grants, and Contracts	349,951	—	349,951	(349,951)	—
State Appropriations, Grants, and Contracts	804,792	—	804,792	(804,792)	—
Private Gifts, Grants, and Contracts	110,708	—	110,708	(110,708)	—
Contributions and Intergovernmental	—	2,769	2,769	—	2,769
Total Unrestricted Grants and Contributions					2,769
Investment Earnings:					
Increase (Decrease) in the Fair Value of Investments	(55)	(2,492)	(2,547)	—	(2,547)
Investment and Endowment Income (Loss)	(161,539)	—	(161,539)	—	(161,539)
Interest	—	667	667	1,561	2,228
Interest and Bond Related Expenses	(93,610)	(253)	(93,863)	93,863	—
Gain (Loss) on Sale of Capital Assets	(4,340)	—	(4,340)	4,340	—
Contributions to Others	—	(404)	(404)	—	(404)
Miscellaneous Revenues (Expenses)	105,465	(36)	105,429	(105,429)	—
Total Unrestricted Investment Earnings					(162,262)
Total Non-Operating Revenues (Expenses)	1,111,372	251	1,111,623	(1,271,116)	
Income Before Other Revenues (Expenses) Or Gains (Losses)	(108,625)	(1,335)	(109,960)	42,974	
State Capital Appropriations	58,514	—	58,514	—	58,514
Total Capital Grants and Contributions					58,514
Additions to Endowments	42,974	—	42,974	(42,974)	—
Change in Net Position	(7,137)	(1,335)	(8,472)	—	(8,472)
Net Position - Beginning of Year (Note 17)	7,445,507	239,630	7,685,137	—	7,685,137
Net Position - End of Year	\$ 7,438,370	\$ 238,295	\$ 7,676,665	\$ —	\$ 7,676,665

The notes to the financial statements are an integral part of this statement.



*The Notes to the Financial Statements provide a summary of significant accounting policies and other disclosures required for a fair presentation of the basic financial statements.*

STATE OF MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**STATE OF MISSOURI**  
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**Note 1 - Significant Accounting Policies**

**A. Financial Statements and Reporting Entity**

The accompanying financial statements of the State of Missouri (primary government) and its component units have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The financial statements include the departments, agencies, boards, commissions, and other organizational units over which the State has financial accountability. GASB set forth the following criteria in Statement No. 14, *The Financial Reporting Entity*, for determining financial accountability: appointment of a voting majority of an organization's governing body and either: 1) the ability to impose the State's will on the organization; or 2) the organization's ability to provide specific benefits to, or impose specific burdens on, the primary government. Where the State does not appoint a voting majority of the governing body, the entity would still be included if it is fiscally dependent on the State. Statement No. 39, *Determining Whether Certain Entities are Component Units*, added a requirement to include all entities whose relationship with the State would make it misleading to exclude it. Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, improves financial reporting by amending GASB Statement No. 14, *The Financial Reporting Entity*, and Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, in blending component units: 1) if there is a financial benefit or burden relationship with the primary government; 2) management of the primary government has operational responsibility for the component unit's activities; and 3) if the total outstanding debt is expected to be repaid entirely or almost entirely with the resources of the primary government. GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*, requires component units to be blended if they are incorporated as not-for-profit corporations and the primary government is the sole corporate member.

In addition to the legislative, executive, and judicial branches, the following organizations are included in these financial statements:

Component Units (Blended):

Blended component units are legally separate entities from the State, but are so intertwined with the State that they are, for all practical purposes, the same as the State. They are reported as part of the primary government and blended into the appropriate funds. The following component units are blended because they provide services entirely or almost entirely to the primary government:

Governmental Funds:

Board of Fund Commissioners – The Board was created by state law and is comprised of the Governor, Lieutenant Governor, Attorney General, State Treasurer, and the Commissioner of Administration. The Board's purpose is to issue, redeem, and cancel state general obligation bonds and perform other administrative activities related to state general obligation debt as assigned by law. Separate financial statements are not required or issued for the Board.

Board of Private Investigator and Private Fire Investigator Examiners – The Board was created by state law and is charged with the licensure and regulation of the practice of private investigators and private fire investigators in Missouri. The seven member board shall consist of three private investigators, two private fire investigators, and two public members, appointed by the Governor. The Board is appointed by the primary government. It is therefore considered a blended special revenue fund and shown in the financial statements as part of the primary government.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 1 - Significant Accounting Policies (cont.)**

Coordinating Board for Early Childhood – The Board was created by state law within the Missouri Children's Services Commission. The Board's purpose is to develop a comprehensive statewide long-range strategic plan for a cohesive early childhood system, and to work with public and private entities for the purpose of promoting and improving the development of Missouri's children from birth through age five. The 17 member Board is composed of representatives from the Governor's Office; the following departments: Health and Senior Services, Mental Health, Social Services, and Elementary and Secondary Education; the judiciary; the Family and Community Trust Board; the Head Start Program; and nine members appointed by the Governor. The majority of the board members are appointed by the primary government and, therefore, separate financial statements are not required for the Board.

Internal Service Funds:

Board of Public Buildings – This is reported with the State Facility Maintenance and Operation Fund. The Board was created by state law and its governing body is made up of the Governor, the Lieutenant Governor, and the Attorney General. Its purpose is to provide state buildings by issuing revenue bonds and to supervise the operations of these facilities. All construction contracts must be approved by the Division of Facilities Management, Design and Construction, and its projects must be approved by the General Assembly. The Board can require state agencies to occupy its projects. The General Assembly appropriates to the Board, on behalf of the state agencies, amounts sufficient to pay the principal and interest on the bonds and pay the costs of operations.

Missouri State Employee's Insurance Plan – The Plan was created to provide basic life insurance to eligible members and is administered through the Missouri State Employees' Retirement System (MOSERS). Death benefits, optional life insurance, and long-term disability benefits are also provided by the Plan for certain members. Copies of the System's financial statements may be requested from:

Missouri State Employees' Retirement System  
P.O. Box 209  
Jefferson City, Missouri 65102-0209

Missouri Consolidated Health Care Plan (MCHCP) – The Plan was created by state law to provide medical benefits to its members and is administered by a board of trustees. The Board consists of two members of the Senate; two members of the House; three members appointed by the Governor; the Director of the Department of Health and Senior Services; the Director of the Department of Commerce and Insurance; the Commissioner of Administration; two members of the system who are current employees; and one member of the system who is a retiree. The management of MCHCP is the responsibility of the Executive Director who is appointed by the Board. Copies of the Plan's financial statements may be requested from:

Missouri Consolidated Health Care Plan  
P.O. Box 104355  
832 Weathered Rock Court  
Jefferson City, Missouri 65110-4355

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 1 - Significant Accounting Policies (cont.)**

MoDOT/MSHP Medical and Life Insurance Plan – The Plan provides health and life insurance coverage to eligible employees, retirees, and their dependents of the Missouri Department of Transportation (MoDOT) and the Missouri State Highway Patrol (MSHP). The Plan is administered by a board of trustees consisting of four active MoDOT employees, one retired MoDOT employee appointed by the Director of MoDOT, two active MSHP employees, and one retired MSHP employee appointed by the Superintendent of MSHP. Additional information may be requested from:

Missouri Department of Transportation  
Financial Services Division  
P.O. Box 270  
Jefferson City, Missouri 65102

Pension (and other employee benefit) trust funds:

Missouri State Employees' Retirement System (MOSERS) – The System was created by state law and provides retirement, survivor, and disability benefits to its members and is administered by a board of trustees. The Board consists of two members of the Senate, two members of the House, two members appointed by the Governor, three members elected by the System's members, the State Treasurer, and the Commissioner of Administration. The management of MOSERS is the responsibility of the Executive Director who is appointed by the Board. The MOSERS Board of Trustees also oversees the State's Deferred Compensation Plan which is administered by a third party. Copies of the System's financial statements may be requested from:

Missouri State Employees' Retirement System  
P.O. Box 209  
Jefferson City, Missouri 65102-0209

Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) – The System provides retirement, survivor, and disability benefits to qualified employees of the Missouri Department of Transportation, uniformed and non-uniformed members of the Missouri State Highway Patrol, and MPERS staff. The System is administered by a board of trustees consisting of three members of the Missouri Highways and Transportation Commission, the Director of the Missouri Department of Transportation, the Superintendent of the Missouri State Highway Patrol, one member of the Senate, one member of the House, one member elected by MoDOT employees, one member elected by the Missouri State Highway Patrol employees, one retired member elected by retired MoDOT employees, and one retired member elected by retired Missouri State Highway Patrol employees. Copies of the System's financial statements may be requested from:

Missouri Department of Transportation and  
Highway Patrol Employees' Retirement System  
P.O. Box 1930  
Jefferson City, Missouri 65102-1930

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

Missouri Consolidated Health Care Plan (MCHCP) State Retiree Welfare Benefit Trust – The Trust was established on June 27, 2008, to provide health and welfare benefits for the exclusive benefit of current and future retired employees of the State and their dependents who meet eligibility requirements, except those covered by other State sponsored post-employment benefit plans. The Trust is administered by the MCHCP board of trustees, which also administers the benefits for the active participants of the Plan. The net position and activity related to active participants are reported in an internal service fund. Copies of the Plan's financial statements may be requested from:

Missouri Consolidated Health Care Plan  
P.O. Box 104355  
832 Weathered Rock Court  
Jefferson City, Missouri 65110-4355

Missouri State Public Employees' Deferred Compensation Plan – The Missouri State Public Employees' Deferred Compensation Plan is administered by ICMA-RC and oversight of the Plan is provided by the MOSERS board of trustees. Under this Plan, employees are permitted to defer a portion of their current salary until future years. In addition, eligible employees have the opportunity to participate in the Missouri State Employees' Deferred Compensation Incentive Plan. Under this Plan, the State contributes \$25, \$30, or \$35 per month on behalf of any employee who contributes at least that amount to the Missouri State Public Employees' Deferred Compensation Plan and who has been an employee of the State for at least one year. However, due to budget constraints, the State's contribution amount was suspended in March 2010. Copies of financial statements for both Plans may be requested from:

Plan Administrator  
c/o MOSERS  
P.O. Box 209  
Jefferson City, Missouri 65102-0209

**Component Units (Discretely Presented):**

Discretely presented component units are legally separate entities for which the State is financially accountable. The financial data for these entities is reported separately from the financial data of the primary government.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

Major

College and Universities — The Coordinating Board for Higher Education has certain responsibilities for these institutions and they receive State support. Following are the public college and universities included in the financial statements:

**Harris-Stowe State University**  
3026 Laclede Avenue  
St. Louis, Missouri 63103

**Southeast Missouri State University**  
One University Plaza, Mail Stop 3200  
Cape Girardeau, Missouri 63701

**Lincoln University**  
820 Chestnut Street  
Jefferson City, Missouri 65102

**State Technical College of Missouri**  
One Technology Drive  
Linn, Missouri 65051

**Missouri Southern State University**  
3950 East Newman Road  
Joplin, Missouri 64801-1595

**Truman State University**  
Business Office  
100 East Normal  
Kirksville, Missouri 63501

**Missouri State University**  
901 South National Avenue, Room 119  
Springfield, Missouri 65897

**University of Central Missouri**  
316 Administration Building  
Warrensburg, Missouri 64093

**Missouri Western State University**  
4525 Downs Drive  
St. Joseph, Missouri 64507

**University of Missouri System**  
118 University Hall  
Columbia, Missouri 65211

**Northwest Missouri State University**  
107 Administration Building  
800 University Drive  
Maryville, Missouri 64468-6001

Non-Major

Missouri Development Finance Board — The Board was created by state law as an independent, self-supporting, body corporate and politic to promote economic development of the State and was created within the Department of Economic Development. The Board is empowered to issue taxable, tax-exempt, and public purpose infrastructure industrial revenue bonds or notes; provide loans or loan guarantees to eligible businesses; provide loans and grants to political subdivisions to fund public infrastructure improvements; and issue tax credits against certain state income taxes in exchange for contributions made to the Board. The twelve member board is made up of the Lieutenant Governor and the Directors of the Department of Economic Development, the Department of Natural Resources, and the Department of Agriculture, who serve as ex-officio voting members, and eight members appointed by the Governor and confirmed by the Senate. Copies of the Board's financial statements may be requested from:

Missouri Development Finance Board  
Governor Office Building  
200 Madison Street, Suite 1000  
Jefferson City, Missouri 65102

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

Missouri Agricultural and Small Business Development Authority — The Authority was created by state law and is authorized to issue bonds to finance agricultural and small business development loans for property acquisitions/renovations and pollution control facilities throughout the State. If for any reason, the Authority ceases to exist, all rights and properties of the Authority will pass to the State. Its governing body consists of seven members appointed by the Governor with the advice and consent of the Senate. Copies of the Authority's financial statements may be requested from:

Missouri Agricultural and Small  
Business Development Authority  
P.O. Box 630  
1616 Missouri Boulevard  
Jefferson City, Missouri 65102

Missouri Transportation Finance Corporation — The Corporation is a not-for-profit corporation organized under the Missouri Nonprofit Corporation Law. The Corporation is financed by federal highway and transit dollars, plus state and local matching funds. It is authorized to issue revenue bonds. The Corporation provides loans to assist public and private entities to fund highway and transportation projects throughout the State. Missouri Transportation Finance Corporation's board determines which applicants are extended loans. Copies of the Corporation's financial statements may be requested from:

Missouri Transportation Finance  
Corporation  
P.O. Box 270  
105 West Capitol Avenue  
Jefferson City, Missouri 65102

Missouri Wine and Grape Board — The Board was created by state law to further growth and development of the grape growing industry in Missouri and foster the expansion of the grape market for Missouri grapes. The eleven member board consists of seven members representing the grape and wine industry, food service industry, or media marketing industry. The four other members include the director of the Department of Agriculture and the presidents of the Missouri Grape Growers Association, the Missouri Vintners Association, and the Missouri Wine Marketing and Research Council. Copies of the Board's annual report may be requested from:

Missouri Wine and Grape Board  
P.O. Box 630  
1616 Missouri Boulevard  
Jefferson City, Missouri 65102

State Environmental Improvement and Energy Resources Authority — The Authority was created by state law and is authorized to finance, acquire, construct, and equip projects to reduce, prevent, and control pollution and develop the energy resources of the State. The Authority is governed by a five-member board appointed by the Governor with the advice and consent of the Senate. Copies of the Authority's annual report may be requested from:

State Environmental Improvement and  
Energy Resources Authority  
425 Madison Street  
Jefferson City, Missouri 65101

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 1 - Significant Accounting Policies (cont.)**

Related Organizations

Related organizations are excluded from the financial reporting entity because the State's accountability does not extend beyond appointing a voting majority of the organization's board members. Related organizations of the State of Missouri include:

Missouri Health and Educational Facilities Authority — finances health and educational facilities.

Missouri Higher Education Loan Authority — provides a secondary market for loans made under the Federal Family Education Loan Program.

Missouri Housing Development Commission — finances the purchase, development or rehabilitation of affordable housing and funds housing assistance.

Missouri Technology Corporation — promotes the modernization of businesses through the development of science and technology applications.

Missouri Public Entity Risk Management Fund — provides liability protection to participating public entities, their officials, and employees.

Jackson County Sports Complex Authority — responsible for construction, operation, and financing of the Jackson County Sports Complex.

Kansas City Regional Sports Complex Authority — responsible for the study and review of all current major sports leagues, clubs, or franchises in Kansas City.

St. Charles County Convention and Sports Facility Authority — responsible for planning, constructing, and managing convention and sports facilities in the St. Charles area.

Missouri Cotton Growers' Organization — organized for boll weevil eradication.

Universal Service Board — organized to ensure just, reasonable, and affordable rates for comparable essential local telecommunication services throughout the State.

Interstate Commission for Adult Offender Supervision — responsible for promoting public safety and protecting the rights of victims through the control and regulation of the interstate movement of adults placed under community supervision.

Board of Trustees of the Missouri Mesothelioma Risk Management Fund — provides coverage of liabilities for participating employers relating to mesothelioma awards.

P-20 Council — organized to create a more efficient and effective education system that more adequately prepares students for the challenges of entering the workforce.

Missouri Propane Safety Commission — responsible for developing comprehensive plans and programs for the prevention, control, and abatement of propane-related accidents in Missouri.

Missouri Family Trust Board of Trustees — provides trust services for persons with disabilities.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

**B. Government-Wide and Fund Financial Statements**

Government-Wide Financial Statements:

The government-wide financial statements focus on the government as a whole. The Statement of Net Position and Statement of Activities report information on all non-fiduciary activities of the primary government and its component units. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Governmental activities include governmental type funds and internal service funds. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services and consist of enterprise funds.

The Statement of Net Position presents the reporting entity's non-fiduciary assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Indirect costs, such as depreciation/amortization expense, are included in the direct expenses reported for individual functions. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenues.

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when incurred. Fiduciary funds have been excluded from the government-wide financial statements because, by definition, the resources of these funds cannot be used to support government operations. Generally, interfund transactions have also been eliminated. Some interfund transactions, such as the exchange of services, were not eliminated because doing so would mistakenly understate both expenses of the buyer and revenues of the seller.

Fund Financial Statements:

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide statements. For governmental and proprietary fund financial statements, the emphasis is on major individual governmental and enterprise funds, with each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Internal service funds are also aggregated and reported in a separate column on the proprietary fund financial statements.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

The governmental fund financial statements are presented using the current financial resources measurement focus and modified accrual basis of accounting. With the current financial resources measurement focus, only current assets and current liabilities are included on the balance sheet. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to pay current period liabilities. Operating statements of governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance. Material revenues susceptible to accrual include federal grants and sales and income taxes. Expenditures are recognized when the related fund liability is incurred except for the following:

- Principal and interest on general long-term debt is recorded as an expenditure when due.
- Compensated absences (accumulated vacation and compensatory time) and sick pay are recorded as expenditures when paid.
- Inventories are reported as expenditures when purchased, except for the Missouri Road Fund, which updates inventory perpetually under the consumption method.

The proprietary, pension (and other employee benefit) trust, private-purpose trust, and custodial fund financial statements are presented using the economic resources measurement focus and accrual basis of accounting. With the economic resources measurement focus, assets, deferred outflows, liabilities, and deferred inflows associated with the operation of these funds are included on the Statement of Net Position. Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred. Proprietary fund-type operating statements present revenues and expenses in total net position. Operating revenues and expenses in proprietary funds are classified as those activities that make up the primary ongoing operations associated with those funds. Non-operating revenues and expenses in proprietary funds are classified as those activities that are deemed incidental or unusual for those funds.

The discretely presented component unit financial statements are presented using the economic resources measurement focus and accrual basis of accounting with the following exception in regard to the college and universities. Revenues and related expenditures in connection with the summer sessions in progress at June 30 are deferred at that date.

The State reports the following major funds categories:

General Fund – accounts for all current financial resources not required by law or administrative action to be accounted for in another fund. Major revenues include contributions and taxes.

Public Education – provides general and special education needs of the State and other related areas such as library services and student loans. Major revenues include contributions and taxes.

Conservation and Environmental Protection – provides for the preservation of the State's wildlife and environment. Major revenues include contributions, taxes and licenses, fees, and permits.

Missouri Road Fund – accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system. Major revenues are from contributions.

State Lottery – accounts for proceeds from the sale of lottery tickets and all other moneys credited to this fund. A minimum of 45% of the moneys are used for prizes. Major revenues are from sales of lottery tickets.

Unemployment Compensation – accounts for contributions, payments, and federal loans collected under the provisions of the Unemployment Compensation Law to pay benefits. Major revenues include federal and employer contributions.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

**C. Basis of Presentation**

The State's financial practices are based upon fund accounting concepts. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and fund balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The accompanying financial statements are structured into three categories of funds and discretely presented component units:

Primary Government:

Governmental Funds include the General Fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. These funds account for the revenues and expenditures, capital outlay, and certain debt service of the State.

Proprietary Funds include enterprise funds and internal service funds. These funds account for the cost of certain services provided by the State.

Fiduciary Funds include pension (and other employee benefit) trust funds, private-purpose trust funds, and custodial funds. These funds account for assets held by the State in a trustee or custodial capacity for individuals, other governments, and other entities.

Discretely Presented Component Units:

Major

College and Universities account for moneys from student tuition and fees, federal and state grants, debt proceeds, gifts and contributions, state appropriations, investments, and endowments. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are accounted for on the Statement of Net Position. Revenues, expenses, gains, and losses are reported on the Statement of Revenues, Expenses, and Changes in Net Position/Statement of Activities.

Non-Major

Non-Major Component Units account for moneys from bond proceeds, loans, contributions, gifts, grants, and other revenue sources. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are accounted for on the Statement of Net Position. Revenues, expenses, gains, and losses are reported on the Statement of Revenues, Expenses, and Changes in Net Position/Statement of Activities.

**D. Cash and Cash Equivalents**

For reporting purposes, cash and cash equivalents include bank accounts, petty cash, and all investments with an original maturity of 92 days or less, such as certificates of deposit, money market certificates, and repurchase agreements. Cash and cash equivalents on the Proprietary Funds Statement of Cash Flows are also reported under this definition. This definition excludes Fiduciary funds. Cash balances of most state funds are pooled and invested by the State Treasurer (see *Note 3*).

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

**E. Investments**

These are long-term investments with an original maturity greater than 92 days, which are expected to be held to maturity and redeemed at face value. The majority of investments are reported in pension (and other employee benefit) trust funds, however, investments are held in all fund types. Repurchase agreements and certificates of deposit held by the State Treasurer's Office are reported at amortized cost. The Missouri State Public Employees' Deferred Compensation Plan and the Missouri State Public Employees' Deferred Compensation Incentive Plan report their Stable Value Funds at contract value. The Missouri State Employees' Retirement System reports their cash equivalents at cost plus accrued interest. All other investments of the State are reported at fair value.

There are multiple funds that have income from investments which are directed to the General Fund. These funds consist of special revenue, enterprise, internal service, private-purpose, and custodial funds.

**F. Interfund Receivables/Payables**

The State makes various transactions between funds or between the primary government and component units to distribute interest earnings, finance operations, provide services, and acquire capital assets. These receivables at June 30 are classified as "due from other funds" or "due from primary government/component units" on the Balance Sheet and Statement of Net Position. Payables are classified as "due to other funds" or "due to primary government/component units" on the Balance Sheet and Statement of Net Position (see *Note 15*). These receivables/payables are due within one year. Any receivables/payables that are due to and due from an enterprise fund are eliminated on the face of the Proprietary Funds Statement of Net Position. If any receivables/payables that remain after this elimination are both in the same activity (Governmental), they are eliminated at the Government-Wide Statement of Net Position. Interfund receivables/payables between the primary government and the component units or the fiduciary funds are reclassified as accounts receivable/payable at the government-wide level. Any remaining interfund receivables/payables are reported as internal balances on the Government-Wide Statement of Net Position.

**G. Advances to/from Other Funds**

Long-term interfund receivables are classified as "advances to other funds" or "advances to primary government/component units" on the Balance Sheet and Statement of Net Position. Long-term interfund payables are classified as "advances from other funds" or "advances from primary government/component units" on the Balance Sheet and Statement of Net Position (see *Note 15*). These receivables/payables are eliminated if both the receivable and payable are in the same activity (Governmental). Advances to/from that are between the primary government and the component units are reclassified as accounts receivable/payable at the government-wide level. Any remaining long-term interfund receivables/payables are reported as internal balances on the Government-Wide Statement of Net Position.

**H. Inventories**

Inventories in the governmental funds consist of expendable supplies held for consumption, the cost of which is recorded as an expenditure at the time of purchase, except for the Missouri Road Fund, which updates inventory perpetually under the consumption method. Inventory balances for governmental funds are shown in the nonspendable fund balance classification. Inventories in the proprietary funds consist of both expendable supplies held for consumption and the cost of goods held for resale, the cost of which is recorded as an expense as they are used. Inventories are valued at cost using various methods such as moving average; weighted average; and first-in, first-out.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

**I. Capital Assets**

Capital assets, which include construction in progress, software in progress, infrastructure in progress, land, land improvements, permanent and temporary easements, buildings and improvements, equipment, software, trademarks, and infrastructure assets, are valued at historical cost or estimated historical cost if actual historical cost is not available. The estimate of historical cost was based on current appraised value indexed to the date of acquisition. Donated capital assets are reported at estimated acquisition value at the time received. Assets the State has the right to use per lease agreements are capitalized at the inception of the lease term and capital assets acquired through financed purchases are capitalized at the date the obligation is established (see *Notes 5, 6, and 11*).

Infrastructure assets (including highways, bridges, streets and sidewalks, drainage systems, lighting systems, communication towers, and similar items) are capitalized. Interest costs incurred during construction of capital assets are not capitalized.

The capitalization threshold for all capital assets is as follows: land improvements – \$15,000, buildings and improvements – \$15,000, software and trademarks – \$5,000, equipment – \$1,000, right-to-use land - \$20,000, right-to-use buildings - \$50,000, right-to-use equipment - \$1,000, right-to-use temporary easements - \$5,000 and right-to-use infrastructure - \$100,000. No dollar threshold is set for land, easements, or infrastructure.

Capital assets are depreciated/amortized using the straight-line method of depreciation/amortization over the following useful lives: buildings – 40 to 50 years, land improvements and building improvements – 15 to 20 years, temporary easements – term of easement, equipment – 2 to 5 years, software – 3 to 5 years, trademarks – 10 years, infrastructure – 12 to 50 years, right-to-use land - lease term, right-to-use buildings - shorter of lease term or useful life, right-to-use equipment - shorter of lease term or useful life, right-to-use temporary easement - shorter of lease term or useful life, and right-to-use infrastructure - shorter of the lease term or useful life. Construction in progress, software in progress, infrastructure in progress, land, and permanent easements are not depreciated/amortized.

Most works of art and historical treasures are not capitalized or depreciated/amortized. The State's non-capitalized collections include the historical artifacts at the various state museums and historical sites, monuments, and other art throughout the capitol grounds. Assets that were previously capitalized continue to be reported in the government-wide financial statements.

Component unit capital assets are stated at cost and are depreciated/amortized using the straight-line method of depreciation/amortization over the following useful lives: buildings – 40 years, land improvements and building improvements – 20 years, equipment – 5 to 15 years, software – 3 to 5 years, right-to-use land - lease term, right-to-use buildings - shorter of lease term or useful life, right-to-use equipment - shorter of lease term or useful life, and right-to-use infrastructure - shorter of the lease term or useful life.

**J. Leases**

Leases where the State of Missouri is the lessee, are recognized based on the present value of future lease payments over the contract term. A lease liability and an intangible right-to-use lease asset are recognized including right-to-use land, buildings, equipment, communication infrastructure and temporary easements. Lease right-to-use assets are reported with capital assets, and lease liabilities are reported as long-term debt in the statement of Net Position (see *Notes 5, 6, and 10*). The right-to-use lease assets are amortized over the term of the lease or the underlying asset's useful life, whichever is shorter.

Leases where the State of Missouri is the lessor, a lease receivable and a deferred inflow of resources are recognized based on the present value of lease payments over the contract term (see *Notes 13 and 14*). Types of assets the State leases as a lessor include land and buildings. The deferred inflow of resources is amortized evenly over the life of the lease.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

**K. Deferred Outflow of Resources and Deferred Inflow of Resources**

In addition to assets, the Statement of Net Position/Balance Sheet may report a separate line item for deferred outflows of resources. Deferred outflows of resources consist of the decrease of net position by the State that is applicable to a future reporting period and will not be recognized as outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position/Balance Sheet may report a separate line item for deferred inflows of resources. Deferred inflows of resources consist of the increase of net position by the State that is applicable to a future reporting period and will not be recognized as inflow of resources (revenue) until then.

**L. Unearned Revenues**

Unearned revenues are amounts collected in advance of the year in which earned.

**M. Long-Term Debt**

Long-term liabilities that will be financed from governmental funds are not reported on the fund financial statements. However, the long-term liabilities are reported on the government-wide financial statements. The reconciliation between fund financial statements and government-wide financial statements includes a line item for the long-term liabilities of governmental funds. These long-term liabilities include the following:

1. Due to Other Entities includes outstanding principal on advances from other governments and contractual obligations to other governments. The expenditures are recorded in the appropriate governmental funds when the liability is paid (see *Note 10*).
2. Outstanding principal for general obligation debt. The expenditure for payment of principal and interest for general obligation debt is recorded in the debt service funds when paid (see *Note 11*).
3. Outstanding principal for bonds issued by the Board of Public Buildings, bonds issued by the Missouri Development Finance Board, and the State Road Bonds issued by the Missouri Highways and Transportation Commission. The expenditure for payment of principal and interest for these bonds is recorded in the appropriate governmental and enterprise funds when paid (see *Note 11*).
4. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest rate method in the government-wide financial statements. Bonds payable are reported net of the applicable bond premium and discount.

In the fund financial statements, governmental fund and enterprise fund types recognize bond premiums and discounts during the current period. Premiums and discounts on debt issuances are reported as other financing sources (see *Note 10*).

5. Obligations under leases and financed purchases reported include the present value of net minimum future lease payments, which will be paid from the General Fund, various special revenue funds, proprietary funds, and the Missouri Road Fund (see *Notes 6 and 11*).
6. Pollution remediation liabilities are measured based on the pollution remediation outlays expected to be incurred to settle those liabilities. These liabilities include all remediation work that the State expects to perform, including work expected to be performed for other responsible parties or potentially responsible parties, whether or not the State is required to do that work. For goods or services used for pollution remediation activities, amounts that are normally expected to be liquidated with expendable available financial resources are recognized as liabilities upon receipt of those goods and services (see *Note 22*).

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

7. Asset Retirement Obligations are measured based on the best estimate of the current value of outlays expected to be incurred. These liabilities include all legally enforceable amounts associated with the future retirement of a tangible capital asset. Liabilities and expenditures are recognized for goods and services used for asset retirement activities upon receipt of those goods and services (see *Note 23*).
8. Compensated absences include accumulated unpaid vacation and compensatory time accruals and related employer payroll taxes. These amounts are not accrued in the governmental funds, but are recorded as expenditures when paid (see *Note 10*).

Vacation leave is accumulated at a rate of 10 to 14 hours per month depending on the number of years of employment. Accumulated vacation leave cannot exceed twice the number of vacation hours earned annually. Compensatory time is accumulated as earned by an individual employee.

Sick leave is accumulated at a rate of 10 hours per month with no limit to the amount which can be accumulated. Accumulated sick leave is not paid upon employee termination and does not represent a liability of the State. However, unused sick leave may be converted to additional credited service upon retirement (usable only for benefit computation, not eligibility).

9. Claims and contingent liabilities include estimates of the risk of loss related to tort liability, general liability, motor vehicle liability, contractor liability, and injuries to employees. These liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. These losses include an estimate of claims that have been incurred, but not reported. Expenditures are recorded in the fund from which the liability is paid (see *Notes 21 and 24*).
10. The State provides postemployment health care (OPEB) and life insurance benefits to the majority of employees who either retire from the State or receive long-term disability benefits. These benefits are administered by the Missouri Consolidated Health Care Plan (MCHCP), the Missouri State Employees' Retirement System (MOSERS), the MoDOT/MSHP Medical and Life Insurance Plan (MHPML), and the Conservation Employees' Insurance Plan (CEIP). MCHCP is a cost-sharing multiple-employer defined benefit plan, while MHPML and CEIP are single-employer defined benefit plans. Health care benefits and MOSERS life insurance benefits are funded through both employer and employee contributions. The University of Missouri's OPEB plan is a single-employer defined benefit plan for all qualified employees.

For the purposes of measuring the total/net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from have been recognized on the same basis as they are reported by the plans. Employer contributions are recognized as revenue and reported when due and payable. Benefits are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value (see *Note 8*).

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

11. The State has two major retirement systems which cover substantially all State employees and a retirement plan for University of Missouri employees. These systems are the Missouri State Employees' Retirement System (MOSERS) and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS). The Missouri State Employees' Plan (MSEP) is a cost-sharing multiple employer defined benefit public employee retirement plan administered by MOSERS. MOSERS also administers the Judicial Plan, a single-employer defined benefit public employee retirement plan. MPERS is a single-employer defined benefit public employee retirement plan. The University of Missouri Retirement, Disability, and Death Benefit Plan is a single-employer defined benefit plan for all qualified employees.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value (see Note 7).

Long-term liabilities of all proprietary, pension (and other employee benefit) trust, and private-purpose trust funds are accounted for in the respective funds.

**N. Net Position and Fund Balance**

The difference between fund assets, deferred outflows, liabilities, and deferred inflows is reported as "Net Position" on the government-wide, proprietary, fiduciary, and component unit fund statements and "Fund Balance" on the governmental fund financial statements.

Net Position is reported in three categories:

Net Investment in Capital Assets – An account used to segregate the portion of net position attributable to capital assets and related debt. It consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributed to acquisition, construction, or improvement of those assets.

Restricted Net Position – An account used to segregate the portion of net position that have constraints on their use, which are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through enabling legislation.

Enabling legislation authorizes the State to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. At June 30, 2022, net position restricted by enabling legislation equaled \$895,814,000 for governmental activities.

Unrestricted Net Position – An account used to segregate the portion of net position that does not meet the definition of the two preceding categories.

When both restricted and unrestricted resources are available for use, generally the State uses restricted resources first, then unrestricted resources as they are needed. However, there may be instances in which restricted funds may only be spent in proportion to unrestricted funds spent.

**Governmental Fund Balance Classifications**

The State's fund balances are classified as:

Nonspendable – Amounts that are not expected to be converted to cash or amounts that are legally or contractually required to be maintained intact.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 1 - Significant Accounting Policies (cont.)**

Restricted – Amounts that are restricted for specific purpose due to constraints that are externally imposed by creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of the legislature. Committed amounts cannot be used for other purposes unless the General Assembly passes legislation to remove the restraints.

Assigned – Amounts that are constrained by the legislature's intent to be used for a specific purpose, but do not meet the criteria for restricted or committed. The constraint for assigned fund balance is established by the Revised Statutes of the State of Missouri.

Unassigned – Amounts that do not meet the criteria of any of the classifications listed above.

**Negative Fund Balance**

A negative fund balance is prohibited in all fund balance classifications except Unassigned. When a negative fund balance exists, the shortfall would be covered by the next fund balance classification for that specific purpose.

**O. Interfund Transactions**

During the fiscal year, the State incurs various transactions between funds, including expenditures and transfers of resources to distribute interest earnings, finance operations, provide services, service debt, and acquire capital assets. Interfund transactions consist of these three types:

1. Transactions that would be treated as revenues or expenditures/expenses, if they involved organizations external to the State, are similarly treated when involving other funds of the State. Major transactions that fall into this category include payments to internal service funds from other funds for services rendered.
2. Transactions that reimburse another fund for an expense reduce the expenses of the fund that is being reimbursed and increase the expenses for the fund doing the reimbursement. Therefore, they are not shown on the face of the statements.
3. Operating subsidies and transfers from funds receiving revenues to funds through which the resources are to be expended are classified as transfers (see *Note 16*). These transactions are eliminated on the face of the financial statements if the transfer in and transfer out are either both in governmental funds or both in enterprise funds. Of the remaining transfers, any transfers in and transfers out that are within the governmental activities are eliminated at the Government-Wide Statement of Activities.

**P. Property Taxes**

Presently there is a state property tax of three cents on each hundred dollars assessed valuation on all real estate and personal property. The tax collected is deposited into the Blind Pension Fund, which is a component of social assistance.

Property taxes in Missouri are levied by October 31 of each year on assessed valuation as of January 1 of that year. Property taxes are due and payable by December 31 and penalties on unpaid taxes are imposed after that date. Assessed values are established by each county assessor's office and are calculated as a percent of market value except for agricultural land which is calculated on productive capability. The percentage for real property varies according to use: residential at 19%, commercial at 32%, and agricultural at 12%. Personal property is assessed according to type with the majority at 33 1/3% of market value.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 2 - Reporting Changes and Classifications**

The State of Missouri implemented the following new accounting standards issued by the Governmental Accounting Standards Board (GASB) for the fiscal year ending June 30, 2022:

- GASB Statement No. 87, *Leases*, requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The implementation of this statement is reflected in *Note 5 - Capital Assets*, *Note 6 - Leases*, and *Note 13 - Payables and Receivables* of the financial statements.
- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, establishes accounting requirements for interest cost incurred before the end of a construction period. The implementation of this statement did not have an impact on the financial statements.
- GASB Statement No. 92, *Omnibus 2020*, establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, reinsurance recoveries, and nonrecurring fair value measurements. The implementation of this statement did not have an impact on the financial statements.
- GASB Statement No. 93, *Replacement of Interbank Offered Rates*, provides an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. It also removes LIBOR as an appropriate benchmark interest rate for a derivative instrument that hedges the interest rate risk of taxable debt. The implementation of this statement did not have an impact on the financial statements.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No.84, and a suppression of GASB Statement No. 32*, determines the classification of a Section 457 Deferred Compensation Plan and the accounting for a Section 457 Plan classified as a pension plan. The implementation of this statement did not have an impact on the financial statements.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*, establishes the term annual comprehensive financial report and its acronym ACFR. This statement changes the title of the financial statements to Annual Comprehensive Financial Report (ACFR) and was early implemented in fiscal year 2021.
- GASB Statement No. 99, *Omnibus 2022*, establishes or amends accounting and financial reporting requirements for specific issues related to the transition from the LIBOR, the Supplemental Nutrition Assistance Program (SNAP), non-monetary transactions, pledges of future revenues, the focus of government-wide financial statements, and terminology. The implementation of this statement did not have an impact on the financial statements.

The State of Missouri reclassified one fund for the fiscal year ending June 30, 2022. The Missouri Veteran's Homes fund was reclassified from an enterprise fund to a special revenue fund.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 3 - Deposits and Investments**

The State Treasurer's Office maintains a cash and short-term investment pool that is used by substantially all state funds of the primary government. These funds do not include accrued interest. Certain organizational units are authorized to administer assets designated to their organization in a manner similar to the deposit and investment activities of the State as a whole. Summarized on the following page is the portfolio that represents the "Cash and Cash Equivalents," "Investments," "Restricted Assets – Cash and Cash Equivalents," and "Restricted Assets – Investments" as reported at June 30, 2022.

**A. Deposits**

The State minimizes custodial credit risk by restrictions set forth in state law and stipulations in the State Treasurer's Office Investment Policy. Custodial credit risk is risk that, in the event of the failure of a depository financial institution, the State will not be able to recover deposits or will not be able to recover collateralized securities that are in the possession of an outside party. Statutes restrict the State Treasurer's Office to deposit funds in financial institutions that are physically located in Missouri, which are selected based on financial stability and community involvement. The financial institution's loan to deposit ratio must exceed 50% at the time of deposit and deposits must be collateralized at least 100% in excess of FDIC coverage with approved securities. Deposits must have a maturity of five years or less and earn interest at varying rates based on State law.

Primary Government

At June 30, 2022, the bank balance of the primary government's deposits was \$1,504,256,000. Of the bank amount, \$31,217,000 was exposed to custodial credit risk by being uninsured and collateralized with securities held by the pledging financial institutions, \$3,035,000 was exposed to custodial credit risk by being uninsured and collateralized with securities held by pledging financial institution's trust department or agent, \$757,061,000 was held by the U.S. Treasury, and the remainder was not exposed to custodial risk.

Fiduciary

At June 30, 2022, the bank balance of the deposits of the fiduciary funds was \$102,446,000.

Component Units

Information on the component units' deposits is available within their individual financial statements.

**B. Investments**

Statutes authorize the State Treasurer's Office to invest in U.S. Treasury or Agency securities maturing within five years, commercial paper and banker's acceptances maturing within 180 days, or in repurchase agreements maturing within 90 days secured by U.S. Treasury, or Agency securities of any maturity. There have been no violations of these investment restrictions during fiscal year 2022.

The State Treasurer's Office minimizes credit risk, the risk of loss due to the failure of the security issuer or backer, by establishing a pre-approved list of financial institutions and companies that will be used to purchase commercial paper. The State Treasurer's Office also conducts regular credit monitoring, pre-qualifies the financial institutions and brokers/dealers with which the State Treasurer's Office will do business for broker services and repurchase agreements, and diversifies the portfolio to reduce potential losses on individual securities.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 3 - Deposits and Investments (cont.)**

Custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the State will not be able to recover the value of their investment or collateral securities that are in the possession of an outside party. The State Treasurer's Office minimizes custodial credit risk by requiring that all securities be held in the State's name at the State's custodial bank, Wells Fargo National Association, Principal Financial Services, or at one of the State Treasurer's Office approved collateral custodians.

Primary Government

At June 30, 2022, the reported amount of the primary government's investments was \$14,629,023,000. Of this amount, \$174,473,000 was exposed to custodial credit risk because it was uninsured and unregistered with securities held by the State's counterparty.

Fiduciary

At June 30, 2022, the reported amount of the fiduciary funds investments was \$18,794,464,000.

Component Units

Information on the component units investments is available within their individual financial statements.

The following table (in thousands of dollars) provides information about the interest rate risks associated with the State's investments. Statutes also authorize investment of funds not held by the State Treasurer's Office. The externally-held internal service funds, the custodial and pension (and other employee benefit) trust funds, and the component units, in accordance with statutory authority, invest primarily in U.S. government securities, repurchase agreements, preferred and common stocks, bonds, real estate, fixed income securities, mutual funds, and investments in limited partnerships. The investments include certain short-term cash equivalents, various long-term items, and restricted assets by maturity, or in certain instances, a weighted average maturity in years. The State Treasurer's Office minimizes the risk of the market value of securities falling due to changes in interest rates by maintaining an effective duration of less than 3.5 years, and holding at least 30% of the portfolio's total market value in securities with a maturity of 12 months or less.

	Maturity in Years					Total Fair Value *
	Less than 1	1-5	6-10	More than 10	No Maturity	
All Fund Types except Fiduciary Funds and Component Units:						
U.S. Treasury Securities	\$ 632,071	\$ 926,078	\$ 8,803	\$ 9,084	\$ —	\$ 1,576,036
U.S. Agency Securities	2,815,588	7,298,081	—	—	—	10,113,669
U.S. Government Guaranteed Mortgages	75	1,801	—	—	—	1,876
Collateralized Mortgage Obligations	169	1,944	110	—	—	2,223
U.S. Agency-Sponsored Securities	20,205	129,333	—	—	—	149,538
Repurchase Agreements	1,598,859	—	—	—	—	1,598,859
Stocks	—	—	—	—	8,501	8,501
Certificates of Deposit	750	1,314	—	—	—	2,064
Mutual Funds	—	—	—	—	1,663	1,663
Commercial Paper	1,174,594	—	—	—	—	1,174,594
Subtotal	6,242,311	8,358,551	8,913	9,084	10,164	14,629,023

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 3 - Deposits and Investments (cont.)**

	Maturity in Years					Total Fair Value *
	Less than 1	1-5	6-10	More Than 10	No Maturity	
Fiduciary Funds:						
U.S. Government Securities	—	—	8,789	38,213	—	47,002
U.S. Treasury Securities	1,091,569	2,339,592	—	1,654,849	—	5,086,010
U.S. Agency Securities	9,268	58,529	1,773	37,723	—	107,293
U.S. Government Mortgage-Backed Securities	2	11,689	230	17,332	—	29,253
Repurchase Agreements	830,748	—	—	—	—	830,748
Stocks	—	—	—	—	491,625	491,625
Bonds	945	937,059	268,023	121,490	499	1,328,016
Commercial Paper	4,022	—	—	—	—	4,022
International Equities	—	—	—	5,412	—	5,412
Mortgages/Real Estate	370	589	6,301	39,215	408,455	454,930
Asset-Backed Securities	62,874	38,154	156,513	323,170	—	580,711
Short-Term Securities	1,054,699	—	—	—	—	1,054,699
Exchange Traded Funds	—	—	—	—	22,300	22,300
Mutual Funds	—	—	—	—	1,528,434	1,528,434
Alternatives/ Limited Partnership	—	—	—	—	7,161,676	7,161,676
Absolute Return	—	—	—	—	43,697	43,697
Tactical Fixed Income	—	—	—	—	12,425	12,425
Other	1,820	—	—	—	4,391	6,211
Subtotal	3,056,317	3,385,612	441,629	2,237,404	9,673,502	18,794,464
Total Investments	<u>\$ 9,298,628</u>	<u>\$ 11,744,163</u>	<u>\$ 450,542</u>	<u>\$ 2,246,488</u>	<u>\$ 9,683,666</u>	<u>\$ 33,423,487</u>

\*The State Treasurer's Office reports their repurchase agreements and certificates of deposit in the amount of \$1,573,000 at amortized costs. The Missouri State Public Employees Deferred Compensation Plan and the Missouri State Public Employees Deferred Compensation Incentive Plan reports their Stable Value Funds in the amounts of \$571,000 and \$331,000 respectively, at contract value. The Missouri State Employees' Retirement System reports their cash equivalents in the amount of \$756,000, at cost plus accrued interest.

The State minimizes concentration of credit risk, the risk attributed to the magnitude of an investment in a single issuer. State statute prohibits the State Treasurer's Office from investing more than 15% of the total time deposits with any single financial institution. State investment policy limits investment in commercial paper to 10% of the total portfolio per issuer and no more than 15% of the total portfolio may be invested in repurchase agreements with a single counterparty. Addendum A to the investment policy limits the total amount of linked deposits a financial institution may receive to 20% of the statutory cap set forth in Section 30.753.1, RSMo. There are no restrictions in the amount that can be invested in U.S. securities. During fiscal year 2022, the State did not have any instances of noncompliance with these requirements and policies.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 3 - Deposits and Investments (cont.)**

Fair Value Measurement

The State of Missouri categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurements and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

- Level 1 – Unadjusted quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are unobservable.
- Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lower level input that is significant to the valuation. The State's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The State Treasurer's Office uses the market approach for the determination of the fair value of investments, except for repurchase agreements and certificates of deposit, which are measured at amortized costs.

Debt, equities, and investment derivatives classified in level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Debt securities and liabilities classified in level 2 have non-proprietary information that was readily available to market participants from multiple independent sources, which are known to be actively involved in the market. Pricing inputs may include market quotations, yields, maturities, call features, and ratings. A portion of the derivative securities classified in level 2 are securities whose values are derived daily from associated traded securities. Other investments listed as level 2 include debt securities where an independent pricing evaluator had direct observable information, including: trading volume, multiple sources of market data and benchmark spreads. FX forwards are included due to the valuation coming from observable forward rates on the underlying currencies. The equity index swap is included because valuation inputs include an observable interest rate and the underlying index.

Investments listed as level 3 include debt securities where an independent pricing evaluator did not have direct observable information for comparable securities. Significant inputs used in the valuation are not available aside from the evaluator providing the price. Direct investments in private equity, real estate, credit, and real assets are included because the valuation techniques utilize discounted cash flows or other non-observable market information.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 3 - Deposits and Investments (cont.)**

Investments Measured at Fair Value as of June 30, 2022 for the Primary Government (in thousands):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities				
Repurchase Agreements	\$ 30,365	\$ 12,782	\$ 17,583	\$ —
Stocks	8,501	8,501	—	—
Mutual Funds	1,663	1,663	—	—
Total Equity Securities	40,529	22,946	17,583	—
Debt Securities				
U.S. Treasury Securities	1,576,036	41,474	1,534,562	—
U.S. Agency Securities	10,113,669	—	10,113,669	—
U.S. Government Guaranteed				
Mortgages	1,875	—	1,875	—
Collateralized Mortgage				
Obligations	2,223	—	2,223	—
U.S. Agency- Sponsored				
Securities	149,538	—	149,538	—
Certificates of Deposit	1,841	1,841	—	—
Commercial Paper	1,174,594	—	1,174,594	—
Total Debt Securities	13,019,776	43,315	12,976,461	—
Total Primary Government Investments	\$ 13,060,305	\$ 66,261	\$ 12,994,044	\$ —

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 3 - Deposits and Investments (cont.)**

Investments Measured at Fair Value as of June 30, 2022 for the Fiduciary funds (in thousands):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Short Term Securities	\$ 287,933	\$ 286,113	\$ 1,820	\$ —
Equity Securities				
Stocks	468,051	462,917	5,072	62
Exchange Traded Funds	22,300	22,300	—	—
Mutual Funds	441,661	441,661	—	—
Real Estate	408,456	408,456	—	—
Other Investments	10,005	10,005	—	—
Total Equity Securities	1,350,473	1,345,339	5,072	62
Debt Securities				
U.S. Treasury Securities	5,133,099	5,034,004	99,095	—
U.S. Agency Securities	108,078	—	108,078	—
Commercial Paper	4,022	—	4,022	—
Collateralized Debt Obligations	576,518	—	387,360	189,158
Repurchase Agreements	99,982	99,982	—	—
Bonds and Asset Backed Securities	405,666	14,245	321,280	70,141
Non U.S Sovereign	12,101	—	12,101	—
Mortgage Backed Securities	71,704	—	58,732	12,972
Total Debt Securities	6,411,170	5,148,231	990,668	272,271
Private Markets*				
Private Equity	493,792	502	—	493,290
Real Estate	200,033	8,562	—	191,471
Real Assets	442,501	(801)	—	443,302
Opportunistic Debt	337,239	33,095	5,951	298,193
Total Private Markets	1,473,565	41,358	5,951	1,426,256

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 3 - Deposits and Investments (cont.)**

Investments Measured at Fair Value as of June 30, 2022 for the Fiduciary funds (in thousands) (cont.):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment Derivative Instruments				
Future Contracts	\$ (22,096)	\$ (688)	\$ (21,408)	\$ —
Interest Rate Swap	(4,927)	—	—	(4,927)
Total Investment Derivative Instruments	(27,023)	(688)	(21,408)	(4,927)
Total Investments by Fair Value Level	<u>\$ 9,496,118</u>	<u>\$ 6,820,353</u>	<u>\$ 982,103</u>	<u>\$ 1,693,662</u>

Investments Measured at the Net Asset Value (NAV):

	Total
Active Hedge Funds	\$ 3,036,188
Commingled equity funds	1,266,130
Commingled fixed income funds	266,152
Commingled short-term investment funds	21,542
MOSERS investment portfolio fund	3,728
Missouri target date funds	1,091,432
Private equity funds	716,187
Private real estate and timber funds	511,558
Total investments Measured at NAV	<u>\$ 6,912,917</u>
Total Investments Measured at Fair Value	<u>\$ 16,409,035</u>
Other Obligations	
Reverse Repurchase Agreements	\$ 3,685,255
Total Other Obligations	<u>\$ 3,685,255</u>
Other Investments	
Reported at Contract Value	\$ 901,414
Total Other Investments	<u>\$ 901,414</u>

As of June 30, 2022, Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) has unfunded commitments in private markets investments consisting of \$162,784,000 in private equity, \$164,720,000 in real estate, \$83,979,000 in real assets, and \$190,021,000 in opportunistic debt.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 3 - Deposits and Investments (cont.)**

Investments Measured at the Net Asset Value as of June 30, 2022, (in thousands):

Investments	Fair Value	Unfunded Commitments (U.S. Dollars)	Redemption Frequency (If currently eligible)	Redemption Notice Period (Days)
Active hedge funds				
Equity market neutral <sup>1</sup>	162,803	—	Quarterly Semi-Annually for MOSERS;	90
Event driven <sup>2</sup>	255,428	—	Monthly for MPERS	60-90
Fund-of-funds <sup>3</sup>	1,353,676	—	Monthly	95
Global asset allocation <sup>4</sup>	9,289	—	Monthly	5-60
In liquidation <sup>5</sup>	7,884	—	N/A	N/A
Merger arbitrage <sup>7</sup>	158,141	—	Monthly	45
Multi-strategies <sup>8</sup>	1,012,375	—	Monthly, Quarterly for MOSERS; Monthly for MPERS	60-90
Quantitative <sup>9</sup>	76,580	—	Monthly	30
Structured credit - relative value <sup>10</sup>	12	—	Quarterly	60
Total active hedge funds	3,036,188	—		
Commingled equity funds <sup>11</sup>	1,266,130	—	Daily, Monthly	1-10
Commingled fixed income funds <sup>12</sup>	266,152	—	Daily	2
Commingled short-term investment funds <sup>13</sup>	21,542	—	Daily	0
MOSERS investment portfolio fund <sup>14</sup>	3,728	—	Monthly	None
Missouri target date funds <sup>15</sup>	1,091,432	—	Daily	None
Private equity funds <sup>16</sup>	716,187	453,997	N/A	N/A
Private real estate and timber funds <sup>17</sup>	511,558	27,241	Daily for MPERS	90 days for MPERS
Total investments measured at NAV	<u>\$ 6,912,917</u>	<u>\$ 481,238</u>		

The following is a description of valuation methodologies used for assets recorded at fair value.

<sup>1</sup>Equity market neutral hedge fund – This value is 100% from MOSERS. This consists of one fund whereby the strategy invests in both long and short in U.S. and global equity securities, with the goal of having little to no net market exposure. This investment is valued at NAV, is redeemable quarterly and is not subject to lockup restrictions.

<sup>2</sup>Event driven hedge funds – This value is 98.2% from MOSERS (with a redemption period of 60 days) and 1.8% from MPERS (with a redemption period of 90 days). Consisting of one fund for MOSERS and one fund for MPERS, this strategy seeks to gain an advantage from pricing inefficiencies that may occur in the onset or aftermath of a corporate action or related event. This investment is valued at NAV, redeemable semi-annually, and is not subject to lockup restrictions for MOSERS. Due to contractual lock-up restrictions, the value of this investment is eligible for redemption in the next four months for MPERS.

<sup>3</sup>Fund-of-funds – This value is 100% from MOSERS. Consisting of five funds, these funds seek to provide diversification by holding a number of funds within a single fund structure. These investments are valued at the NAV, are redeemable monthly, and are subject to liquidation of the underlying funds.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 3 - Deposits and Investments (cont.)**

<sup>4</sup>Global asset allocation – This value is 100% from MPERS. Consisting of one fund, this strategy is highly diversified and uses fundamental research to develop systematic rules for trading positions. Due to contractual lock-up restrictions, the value of this fund is eligible for redemption in the next 35 days.

<sup>5</sup>Pending liquidated hedge funds – This value is 88.4% from MOSERS and 11.6% from MPERS. MOSERS has eight hedge funds that have been fully redeemed as of June 30, 2022, which are awaiting final distribution of the proceeds, which will be received upon sale of the underlying investments or upon completion of the audit of financial statements for MOSERS. MPERS has a small investment in two hedge funds that are in liquidation and have been closed, MPERS is awaiting the sale of the final assets.

<sup>6</sup>Merger arbitrage hedge fund – This value is 100% from MOSERS. Consisting of one fund, this strategy invests in the common stock of companies that are involved in publicly announced mergers and seeks to generate attractive returns while dampening volatility. This investment is valued at NAV, is redeemable monthly, and is not subject to lock-up restrictions.

<sup>7</sup>Multi-strategy hedge fund – This value is 73.5% from MOSERS and 26.5% from MPERS. Consisting of five funds for MOSERS and two funds for MPERS, these funds aim to pursue varying strategies in order to diversify risks and reduce volatility. These investments are redeemable monthly or quarterly, but are subject to lock-up restrictions for MOSERS. Due to contractual restrictions, the value of these investments is eligible for redemption in the next six months for MPERS.

<sup>8</sup>Quantitative hedge funds – This value is 100% from MOSERS. Consisting of two funds, this strategy attempts to achieve uncorrelated returns using advanced statistical methods to select securities across liquid public markets. These investments are redeemable monthly, and are not subject to lock-up restrictions.

<sup>9</sup>Structured credit – relative value – This value is 100% from MPERS. As of June 30, 2022, MPERS had one fund that is in liquidation in this strategy.

<sup>10</sup>Commingled equity funds – This value is 100% from MOSERS. This consist of six equity funds which are considered to be commingled in nature. Each are valued at the NAV held at the end of the period based upon the fair value of the underlying investments.

<sup>11</sup>Commingled fixed income funds – This value is 100% from MOSERS. One fixed income fund is considered to be commingled in nature. This investment is valued at the NAV held at the end of the period based upon the fair value of the underlying investment.

<sup>12</sup>Commingled short-term investment funds – This value is 100% from MOSERS. One short-term investment fund is considered to be commingled in nature. These investments are valued at the NAV held at the end of the period based upon the fair value of the underlying investments.

<sup>13</sup>MOSERS Investment Portfolio (MIP) fund – This value is 84.6% from the Deferred Compensation Plan and 15.4% from the Deferred Compensation Incentive Plan. Participant transactions (purchases and sales) may occur monthly. The significant investment strategies are designed to achieve long-term total returns, comprised of capital appreciation and income. There are no unfunded commitments. There are generally no restrictions as to the redemption of these investments.

<sup>14</sup>Missouri target date funds – This value is 81.5% from Deferred Compensation Plan and 18.5% from the Deferred Compensation Incentive Plan. Participant transactions (purchases and sales) may occur daily. The significant investment strategies of the funds are to seek the highest total return over time, consistent with the fund's asset mix. The asset allocations within these target date funds adjust automatically over time. Each fund invests more aggressively in its early years and becomes more conservative as it reaches its time horizon. There are no unfunded commitments. There are generally no restrictions as to the redemption of these investments.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 3 - Deposits and Investments (cont.)**

<sup>15</sup>Private equity, real estate and timber funds – This value is 94.1% from MOSERS and 5.9% from MPERS. MOSERS' private equity portfolio consists of 41 funds with exposure to buyout funds, distressed funds, infrastructure, energy, secondary, royalty funds, and special situations. The real estate portfolio, comprised of eight funds, invests mainly in U.S. commercial real estate. The timber portfolio consists of one fund in liquidation which invests in global timberland. The fair values of the majority of these funds has been determined using net assets valued one quarter in arrears plus current quarter cash flows. These funds are not eligible for redemption. Distributions are received as underlying investments when the funds are liquidated, which, on average, can occur over the span of 5 to 10 years. MPERS invests in five core private real estate funds that are commingled in nature. Four are eligible for redemption on a quarterly basis and one on a daily basis.

The State Treasurer's Office requires investments in commercial paper and bankers' acceptances to have the highest letter and numerical ranking (such as A1/P1) as rated by at least two Nationally Recognized Statistical Rating Organizations (NRSROs). The Treasurer does not have any additional policies regarding credit ratings of investments.

The following table (in thousands of dollars) provides information on the credit ratings associated with the State's investments in debt securities.

	Moody's	S & P	Fair Value
Primary Government/Fiduciary:			
U.S. Government Securities	Aaa	AA+	\$ 737,132
	NR	NR	46,975
U.S. Treasury	Aaa	AA+	1,455,364
	Aaa	NR	135,450
	NR	NR	31,860
U.S. Agencies	Aaa	NR	46,886
	NR	AA	36,632
	NR	NR	2,864
U.S. Government Mortgage-Backed Securities	NR	NR	17,648
Bonds	A	NR	19,540
	NR	AAA	39,826
	NR	AA	1,008,210
	NR	AA-	3,169
	NR	A	74,418
	NR	BBB	141,888
	NR	BB	1,780
	NR	NR	38,637
Repurchase Agreements	Aaa	AA+	117,068
	Aaa	NR	12,782
	NR	NR	2,298,490
U.S. Agency-Sponsored Securities	Aaa	AA+	9,221,186
	Aaa	NR	5,139
	NR	NR	1,062,932

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 3 - Deposits and Investments (cont.)**

	Moody's	S & P	Fair Value
Asset-Backed Securities	NR	AAA	\$ 195,111
	NR	AA	74,080
	NR	A	10,681
	NR	BB	919
	NR	B	93,507
	NR	CC	6,428
	NR	NR	199,986
Exchange Traded Funds	4-STAR	NR	22,300
Certificates of Deposit	NR	NR	2,065
Commercial Paper	P-1	A-1+	854,121
	P-1	A-1	324,495
Pooled Investments	NR	AAA	21,542
U.S Government			
Guaranteed Mortgages	Aaa	AA+	1,875
	Aaa	NR	11,572
	NR	AA	33
Collateralized Mortgage			
Obligations	Aaa	AA+	2,223
	Aaa	NR	2,801
	NR	AA	371
Equities	NR	NR	23,656
Equity Funds	NR	NR	1,328
Fixed Income	NR	NR	335
Stocks	NR	NR	8,378
Non US Sovereign	NR	AA	723
	NR	A	1,430
	NR	BBB	3,258
Other	NR	AAA	11,460
	NR	AA	1,615
	NR	BBB	133
	NR	CCC	1,884
	NR	NR	30,031
Total Rated Investments			<u>\$ 18,464,217</u>

NR = Not Rated.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 3 - Deposits and Investments (cont.)**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The State Treasurer's Office does not have any deposits or investments in foreign currency and therefore does not have a policy regarding foreign currency risk. The Missouri State Employees' Retirement System and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System do have foreign currency deposits and investments which may be used for hedging purposes. The following table (in thousands of dollars) provides information on deposits and investments held in various foreign currencies, which are stated in U.S. dollars.

Currency	Investment Type				Total
	Cash	Equities	Fixed Income	Real Estate	
Australian Dollar	\$ 8,283	\$ 397	\$ —	\$ —	\$ 8,680
Canadian Dollar	5,568	320	—	—	5,888
Euro	6,405	832	1,691	41,025	49,953
Hong Kong Dollar	(7,128)	499	—	—	(6,629)
Japanese Yen	687	725	—	—	1,412
New Israeli Shekel	1,820	—	—	—	1,820
Singapore Dollar	—	315	—	—	315
South African Rand	(949)	—	—	—	(949)
South Korean Won	(470)	946	—	—	476
United Kingdom Pound Sterling	1,248	292	1,257	245	3,042
Total	<u>\$ 15,464</u>	<u>\$ 4,326</u>	<u>\$ 2,948</u>	<u>\$ 41,270</u>	<u>\$ 64,008</u>

**C. Securities Lending Program**

Missouri State Employees' Retirement System:

The Missouri State Employees' Retirement System's (MOSERS) board of trustees' investment policies permit the pension trust funds to participate in a securities lending program. Fixed income, international equity and domestic equity securities of the pension trust funds are loaned to participating brokers who provide collateral in the form of cash, U.S. Treasury or government agency securities, or letters of credit issued by approved banks. Collateral must be provided in the amount of 102% of fair value for domestic loans and 105% of fair value for international loans. MOSERS does not have the authority to pledge or sell collateral securities without borrower default.

MOSERS had no securities lending activity in fiscal year 2022.

Missouri Department of Transportation and Highway Patrol Employees' Retirement System:

In accordance with the investment policies set by the board of trustees, the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS), lends its securities to broker-dealers and banks pursuant to a form of loan agreement. MPERS custodial bank, Northern Trust, is authorized to lend available securities to approved broker-dealers and banks subject to the receipt of acceptable collateral.

MPERS may lend securities and receive cash, securities insured or guaranteed by the U.S. government or its agencies, and irrevocable bank letters of credit as collateral. MPERS cannot pledge or sell non-cash collateral unless a borrower defaults. Borrowers are required to deliver collateral for each loan equal to: 1) 102% of the fair value of the loaned securities plus any accrued interest in the case of loaned securities denominated in United States dollars or whose primary trading market is located in the United States, and 2) 105% of the fair value of the loaned securities plus any accrued interest in the case of loaned securities not denominated in United States dollars or whose primary trading market was not located in the United States.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 3 - Deposits and Investments (cont.)**

MPERS did not impose any restrictions during the fiscal year on the amount of the loans that the custodial bank made on its behalf. There were no known failures by any borrowers to return loaned securities or pay distributions thereon during the year.

MPERS and borrowers maintained the right to terminate all securities lending transactions on demand. At June 30, 2022, the cash collateral fund had a fair value of \$23,800,000.

At June 30, 2022 and June 30, 2021, MPERS had earned \$184,000 and \$131,000, respectively, on the securities lending program.

**Component Units:**

Information on the component units securities lending program is available within their individual financial statements.

**D. Derivatives**

**Missouri State Employees' Retirement System:**

While the Board has no formal policy specific to derivatives, Missouri State Employees' Retirement System (MOSERS), through its external investment managers, holds investments in futures contracts and swap contracts. MOSERS enters into these certain derivative instruments as investments primarily to enhance the performance and reduce the volatility of its portfolio. It enters swaps and futures contracts to gain or hedge exposure to certain markets and to manage interest rate risk. For the year ended June 30, 2022, the change in fair value of the swap contracts resulted in a gain of \$133 million of investment income. The change in fair value in the futures contracts resulted in a gain of \$25 million of investment income. MOSERS does not anticipate additional significant market risk from the derivative arrangements. MOSERS could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts. MOSERS anticipates that the counterparties will be able to satisfy their obligations as credit evaluations and credit limits are monitored by the investment managers.

The following table (in thousands of dollars) summarizes the various contracts in MOSERS portfolio as of June 30, 2022. The investments are reported at fair value and are included on the Statement of Fiduciary Net Position of the pension (and other employee benefit) trust funds.

**Futures Contracts:**

Notional Amount	Exposure
\$(100,256)	\$(688)

**Swap Contracts:**

Notional Amount	Counterparty Exposure
\$2,674,921	\$(135,961)

**Missouri Department of Transportation and Highway Patrol Employees' Retirement System:**

MPERS has an investment policy which holds investments in future contracts, swap contracts, options contracts, and forward foreign currency exchange contracts. Derivative financial instruments involve credit risk and market risk. The notional value related to these derivative instruments are generally not recorded on the financial statements; however, the change in fair value of these instruments is incorporated in performance.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 3 - Deposits and Investments (cont.)**

The following table (in thousands of dollars) summarizes the various contracts in MPERS portfolio as of June 30, 2022. The investments are reported at fair value and are included on the Statement of Fiduciary Net Position of the pension (and other employee benefit) trust funds.

Type	Notional/Fair Value	Unrealized Gain (Loss)
Foreign Currency Forward Contract	\$ 6,178	\$ 40
Futures Contracts	643,536	(103,816)
Swap Contracts	237,846	(55,443)
Total	<u>\$ 887,560</u>	<u>\$ (159,219)</u>

Through the use of derivatives, MPERS is exposed to risk that the counterparties involved in the contracts are unable to meet the term of their obligation. MPERS investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, and exposure monitoring procedures. MPERS anticipates the counterparties will be able to satisfy their obligations under the contracts. The associated counterparty's credit rating is an A+.

Component Units:

Information on the component units derivatives is available within their individual financial statements.

**E. Assets Held in Escheat**

The Unclaimed Property Division of the Missouri State Treasurer's Office holds unclaimed stocks, bonds, mutual fund positions, and other securities that have been turned over by their holders on behalf of the securities' owners. The State takes custody of these securities until the owner claims them or if unclaimed, liquidates them after 18 to 24 months. The State holds the securities in order to return them to their owners. The State does not report these securities as investments because they do not meet the Governmental Accounting Standards Board's definition of "investments". This is because the State does not hold the securities for income or profit, nor do the securities have a present service capacity for the State. A total of \$22,285,000 of these unclaimed securities is shown as "Assets Held in Escheat" on the private-purpose trust funds combining statement of fiduciary net position in Unclaimed Property.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 4- Governmental Fund Balance**

**Fund Balance Classifications by Purpose** – In the basic financial statements, the fund balance classifications are presented in the aggregate. The following displays the fund balances by major purpose (in thousands of dollars):

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
<b>General Fund</b>				
Inventories	\$ 101,545	\$ —	\$ —	\$ —
Loans Receivable	59,734	—	—	—
Consumer Protection	—	—	—	24,846
Budget Reserve	—	—	750,513	—
Education	—	6,339	7,330	40,346
Medical and Other Assistance	—	—	2	42,428
Energy Programs	—	—	—	28,246
Forfeited Financial Instruments	—	—	—	1,392
Federal Government	—	990,527	—	—
Taxes	—	—	—	1,550
Other	—	2,325	2,471	68,814
Total	<u>\$ 161,279</u>	<u>\$ 999,191</u>	<u>\$ 760,316</u>	<u>\$ 207,622</u>
<b>Public Education</b>				
Loans Receivable	\$ —	\$ —	\$ —	\$ 748
Education	—	479,940	5,317	36,221
Total	<u>\$ —</u>	<u>\$ 479,940</u>	<u>\$ 5,317</u>	<u>\$ 36,969</u>
<b>Conservation and Environmental Protection</b>				
Inventories	\$ 219	\$ —	\$ —	\$ —
Loans Receivable	—	191	1,442,391	6,384
Conservation Commission	—	165,919	—	—
Environmental Conservation	—	44,024	543,631	92,401
State Parks	—	36,530	—	309
Johnson-Travis Memorial	—	1,000	—	—
Forfeited Financial Instruments	—	—	—	1,444
Total	<u>\$ 219</u>	<u>\$ 247,664</u>	<u>\$ 1,986,022</u>	<u>\$ 100,538</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 4 - Governmental Fund Balance (cont.)**

	Nonspendable	Restricted	Committed	Assigned
<b>Missouri Road Fund</b>				
Inventories	\$ 46,354	\$ —	\$ —	\$ —
Prepaid Items	495	—	—	—
Highways and Transportation	—	1,083,032	—	—
Total	<u>\$ 46,849</u>	<u>\$ 1,083,032</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Non-Major Special Revenue Funds</b>				
Inventories	\$ 6,037	\$ —	\$ —	\$ —
Loans Receivable	—	—	—	1,304
Professional Boards and Licensure	—	—	13,688	31,304
Legal Assistance	—	18,784	349,482	10,508
Agriculture	—	11,353	346	8,246
Medical and Other Assistance	—	81,962	47,331	12,349
Transportation	—	36,318	—	233,368
Highway Patrol and Water Patrol	—	7,473	564	23,499
Workers' Compensation and				
Unemployment Compensation	—	99,271	—	—
Veterans' Homes	—	33,894	—	—
Other	—	34,414	11,906	23,315
Total	<u>\$ 6,037</u>	<u>\$ 323,469</u>	<u>\$ 423,317</u>	<u>\$ 343,893</u>
<b>Non-Major Debt Service Funds</b>				
General Obligation Bonds	\$ —	\$ 11,851	\$ —	\$ —
Fulton State Hospital	—	11,697	—	—
Missouri Road Bond	—	102,879	—	—
Total	<u>\$ —</u>	<u>\$ 126,427</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Non-Major Capital Projects Funds</b>				
Board of Public Buildings-Education	\$ —	\$ 3	\$ —	\$ —
Board of Public Buildings-State Capitol	—	8,836	—	—
Board of Public Buildings-State Facility	—	189	—	—
Fulton State Hospital	—	1,909	—	—
Total	<u>\$ —</u>	<u>\$ 10,937</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Non-Major Permanent Funds</b>				
Arrow Rock State Historic Site Endowment	\$ 30	\$ —	\$ —	\$ —
Confederate Memorial Park	75	—	—	108
State Public School	66,584	—	—	—
Smith Memorial Endowment Trust	365	—	—	2
Total	<u>\$ 67,054</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 110</u>

**A. Budget Reserve Fund**

The Budget Reserve Fund is established in Article IV, Section 27(a) of the Missouri Constitution. The Commissioner of Administration may transfer amounts from the Budget Reserve Fund to any other fund when necessary to meet the cash requirements of the State. However, the Budget Reserve Fund must be paid back with interest prior to May 16<sup>th</sup> of the fiscal year in which the transfer was made.

Budget stabilization expenditures may occur in a fiscal year in which the Governor reduces the expenditures of the State or any of its agencies below their appropriation or in which there is a budget need due to a natural disaster as proclaimed by the Governor to be an emergency. An appropriation from the Budget Reserve Fund may be granted by a two-thirds vote of the members elected to each House. The maximum amount which may be appropriated at any one time for budget stabilization purposes is one-half the sum of the balance of the Budget Reserve Fund and any amounts appropriated or otherwise owed to the fund, less all amounts owed to the fund for budget stabilization purposes but not yet appropriated for repayment to the fund. One-third of the amount expended or transferred from the Budget Reserve Fund for budget stabilization purposes plus interest shall stand appropriated to the Budget Reserve Fund during each of the next three fiscal years from the fund which received the budget stabilization appropriation. The balance of the Budget Reserve Fund at June 30, 2022, was \$750,513,000.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 5 - Capital Assets**

Capital asset activity for the year ended June 30, 2022, was as follows (in thousands of dollars):

	*Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
<b>Governmental Activities:</b>				
Capital Assets not being Depreciated/Amortized:				
Construction in Progress .....	\$ 269,700	\$ 89,106	\$ (148,123)	\$ 210,683
Software in Progress .....	122,305	32,937	(31,571)	123,671
Infrastructure in Progress .....	1,940,445	1,002,521	(807,495)	2,135,471
Land .....	3,097,397	6,253	(671)	3,102,979
Permanent Easements .....	1	6	—	7
Total Capital Assets not being Depreciated/Amortized	<u>5,429,848</u>	<u>1,130,823</u>	<u>(987,860)</u>	<u>5,572,811</u>
Capital Assets Being Depreciated:				
Land Improvements .....	244,339	10,809	(64)	255,084
Temporary Easements .....	3,028	3,563	(249)	6,342
Buildings and Improvements .....	3,717,677	102,910	(955)	3,819,632
Equipment .....	1,458,532	115,579	(65,194)	1,508,917
Software .....	303,836	44,401	(16,426)	331,811
Trademarks .....	17	—	—	17
Infrastructure .....	52,844,177	807,496	(92,099)	53,559,574
Right-to-Use Lease Assets Being Amortized .....				
Land - right-to-use .....	607	—	—	607
Temporary Easements - right-to-use .....	5	19	—	24
Buildings - right-to-use .....	73,515	18,294	—	91,809
Equipment - right-to-use .....	1,149	637	—	1,786
Infrastructure - right-to-use .....	24,927	317	—	25,244
Total Capital Assets being Depreciated/Amortized	<u>58,671,809</u>	<u>1,104,025</u>	<u>(174,987)</u>	<u>59,600,847</u>
Less Accumulated Depreciation for:				
Land Improvements .....	(143,065)	(6,126)	—	(149,191)
Temporary Easements .....	(490)	(1,009)	249	(1,250)
Buildings and Improvements .....	(2,182,048)	(93,867)	463	(2,275,452)
Equipment .....	(1,074,357)	(92,214)	60,522	(1,106,049)
Software .....	(244,391)	(39,205)	14,712	(268,884)
Trademarks .....	(17)	—	—	(17)
Infrastructure .....	(26,314,040)	(581,532)	87,895	(26,807,677)
Less Accumulated Amortization for:				
Land - right-to-use .....	—	(56)	—	(56)
Temporary Easements - right-to-use .....	—	(1)	—	(1)
Buildings - right-to-use .....	—	(16,028)	—	(16,028)
Equipment - right-to-use .....	—	(482)	—	(482)
Infrastructure - right-to-use .....	—	(2,015)	—	(2,015)
Total Accumulated Depreciation/Amortization .....	<u>(29,958,408)</u>	<u>(832,535)</u>	<u>163,841</u>	<u>(30,627,102)</u>
Total Capital Assets being Depreciated/Amortized, Net	<u>28,713,401</u>	<u>271,490</u>	<u>(11,146)</u>	<u>28,973,745</u>
Governmental Activities Capital Assets, Net .....	<u>\$ 34,143,249</u>	<u>\$ 1,402,313</u>	<u>\$ (999,006)</u>	<u>\$ 34,546,556</u>

\*Beginning balances as of July 1, 2021 have been restated (see Note 17).

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 5 - Capital Assets (cont.)**

**Business-Type Activities:**

Capital Assets not being Depreciated/Amortized:

Construction in Progress .....	\$ 2,129	\$ 2,342	\$ (1,083)	\$ 3,388
Land .....	32,668	126	—	32,794
Permanent Easements .....	—	2	—	2
Total Capital Assets not being Depreciated/Amortized	<u>34,797</u>	<u>2,470</u>	<u>(1,083)</u>	<u>36,184</u>

Capital Assets Being Depreciated:

Land Improvements .....	51,239	1,605	(25)	52,819
Temporary Easements .....	50	2	—	52
Buildings and Improvements .....	58,258	167	—	58,425
Equipment .....	43,273	2,568	(1,435)	44,406
Software .....	562	—	—	562

Right-to-Use Lease Assets Being Amortized

Buildings - right-to-use .....	1,461	405	—	1,866
Equipment - right-to-use .....	504	14	—	518

Total Capital Assets being Depreciated/Amortized	<u>155,347</u>	<u>4,761</u>	<u>(1,460)</u>	<u>158,648</u>
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Less Accumulated Depreciation for:

Land Improvements .....	(18,217)	(2,402)	15	(20,604)
Temporary Easements .....	(32)	(2)	—	(34)
Buildings and Improvements .....	(26,832)	(1,221)	—	(28,053)
Equipment .....	(31,540)	(3,003)	1,382	(33,161)
Software .....	(535)	(11)	—	(546)

Less Accumulated Amortization for:

Buildings - right-to-use .....	—	(394)	—	(394)
Equipment - right-to-use .....	—	(148)	—	(148)

Total Accumulated Depreciation/Amortization	<u>(77,156)</u>	<u>(7,181)</u>	<u>1,397</u>	<u>(82,940)</u>
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Total Capital Assets being Depreciated/Amortized, Net	<u>78,191</u>	<u>(2,420)</u>	<u>(63)</u>	<u>75,708</u>
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Business-Type Activities Capital Assets, Net	<u>\$ 112,988</u>	<u>\$ 50</u>	<u>\$ (1,146)</u>	<u>\$ 111,892</u>
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Depreciation/amortization expense of governmental activities was charged to functions as follows (in thousands of dollars):

	<u>Capital Assets</u>
General Government .....	\$ 61,067
Education .....	3,138
Natural and Economic Resources .....	25,028
Transportation and Law Enforcement .....	674,708
Human Services .....	68,594
Total .....	<u>\$ 832,535</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 5 - Capital Assets (cont.)**

**Discretely Presented Component Units**

The following table summarizes net capital assets reported by the discretely presented component units (in thousands of dollars):

	College and Universities	Non-Major Component Units	Total
Capital Assets not being Depreciated/Amortized:			
Construction in Progress .....	\$ 279,139	\$ —	\$ 279,139
Land .....	188,536	7,220	195,756
Other Non-Depreciable/Amortizable Assets .....	24,171	—	24,171
Total Capital Assets not being Depreciated/Amortized .....	491,846	7,220	499,066
Capital Assets being Depreciated/Amortized:			
Land Improvements .....	45,043	—	45,043
Buildings and Improvements .....	8,092,813	80,111	8,172,924
Equipment, Fixtures, and Books .....	1,721,415	1,525	1,722,940
Software .....	116,580	26	116,606
Infrastructure .....	771,124	—	771,124
Right-to-Use Assets Being Amortized			
Land .....	1,349	—	1,349
Buildings and Improvements .....	121,363	403	121,766
Equipment, Fixtures, and Books .....	13,204	17	13,221
Infrastructure .....	7,693	—	7,693
Total Capital Assets being Depreciated/Amortized .....	10,890,584	82,082	10,972,666
Less Total Accumulated Depreciation/Amortization .....	(5,631,457)	(30,484)	(5,661,941)
Total Capital Assets being Depreciated/Amortized, Net .....	5,259,127	51,598	5,310,725
Discretely Presented Component Units – Capital Assets, Net	<u>\$ 5,750,973</u>	<u>\$ 58,818</u>	<u>\$ 5,809,791</u>

**Capital Asset Impairments**

Multiple software in development projects were stopped in fiscal year 2022 due to cancellation, which resulted in an impairment loss of \$67,000. This loss is reported as a program expense in the government-wide financial statements.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 6 - Leases**

The State has entered into various agreements to lease land, buildings, equipment, infrastructure and temporary easements. GASB Statement No. 87, *Leases*, requires that the State, as a lessee, recognize a lease liability and an intangible right-to-use lease asset (lease asset). The lease liability and lease asset are recognized at the commencement date of the lease based on the estimated present value of lease payments over the lease term.

Lease liability for the internal service and enterprise funds are reported as a long-term obligation in those funds along with the related assets. Leases and the related assets are not reported on the fund financial statements of governmental type funds. However, the leases and related assets of governmental funds are included on the government-wide financial statements and they are shown on the reconciliation between fund financial statements and government-wide statements.

Following is a summary of future minimum payments due for leases (in thousands of dollars):

Fiscal Year Ending	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 18,042	\$ 3,230	\$ 547	\$ 55
2024	15,401	2,662	523	37
2025	10,461	2,217	370	21
2026	8,931	1,890	230	11
2027	5,841	1,633	204	4
2028-2032	16,757	6,004	—	—
2033-2037	8,944	4,043	—	—
2038-2042	5,852	2,610	—	—
2043-2047	667	2,222	—	—
2048-2052	652	2,101	—	—
2053-2057	490	2,011	—	—
2058-2062	581	1,921	—	—
2063-2067	688	1,813	—	—
2068-2072	816	1,686	—	—
2073-2077	967	1,535	—	—
2078-2082	1,146	1,356	—	—
2083-2087	1,357	1,144	—	—
2088-2092	1,609	893	—	—
2093-2097	1,906	595	—	—
2097-2102	2,259	243	—	—
2103	246	2	—	—
Total	<u>\$ 103,613</u>	<u>\$ 41,811</u>	<u>\$ 1,874</u>	<u>\$ 128</u>

Certain lease contracts include variable payments, residual value guarantees or termination penalties that are not known or certain to be exercised at the time of the calculation of the lease liability. These are recognized as expenses in the period they are incurred. For the fiscal year ended, June 30, 2022, there were no such variable payments excluded from the measurement of the lease liability. There were also no termination penalties or residual value guarantee payments expensed for the fiscal year ended, June 30, 2022.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 6 - Leases (cont.)**

**Discretely Presented Component Units**

Following is a summary of future minimum payments due for leases (in thousands of dollars):

	College and Universities		Non-Major Component Units	
	Principal	Interest	Principal	Interest
2023	\$ 22,666	\$ 2,404	\$ 105	\$ 9
2024	19,059	1,911	107	4
2025	14,605	1,422	58	—
2026	10,409	1,048	42	—
2027	6,385	793	14	—
2028-2032	18,477	2,232	—	—
2033-2037	9,511	889	—	—
2038-2042	2,459	275	—	—
2043-2047	619	62	—	—
2048-2052	56	27	—	—
2053-2057	43	23	—	—
2058-2062	49	19	—	—
2063-2067	52	14	—	—
2068-2072	57	10	—	—
2073-2077	62	4	—	—
2078	13	—	—	—
Total	<u>\$ 104,522</u>	<u>\$ 11,133</u>	<u>\$ 326</u>	<u>\$ 13</u>

For the fiscal year ended, June 30, 2022, there were no variable payments excluded from the measurement of the lease liability for discretely presented component units. There were no termination penalties or residual value guarantee payments expensed for the fiscal year ended, June 30, 2022.

**Note 7 - Retirement Systems**

The State has two major retirement systems which cover substantially all State employees. These systems are the Missouri State Employees' Retirement System (MOSERS) and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS). MOSERS is comprised of the Missouri State Employees' Plan (MSEP), a cost-sharing multiple-employer, defined benefit public employee retirement plan and the Judicial Plan, a single-employer defined benefit public employee retirement plan. MPERS is a single-employer defined benefit public employees' retirement plan.

**Plan Descriptions**

The Missouri State Employees' Plan (MSEP) is a cost-sharing multiple-employer, defined benefit public employee retirement plan administered by MOSERS. The Plan is administered in accordance with Sections 104.010 and 104.312-104.1215, RSMo.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

The MSEP has three benefit structures known as MSEP (closed plan), MSEP 2000, and MSEP 2011. The MSEP covers all full-time employees hired before July 1, 2000, who are not covered under another state-sponsored retirement plan. MSEP 2000 covers all full-time employees hired on or after July 1, 2000 and before January 1, 2011. MSEP 2011 covers all full-time employees first hired on or after January 1, 2011. Members of the closed plan have the option at retirement to choose between the benefit structure of the MSEP or MSEP 2000.

The Judicial Plan is a single-employer, defined benefit public employee retirement plan administered by MOSERS. The Plan is administered in accordance with Sections 476.445 - 476.690, RSMo. The Judicial Plan covers eligible members appointed/elected before January 1, 2011. The Judicial Plan 2011 covers eligible members appointed/elected for the first time on or after January 1, 2011.

MOSERS provides retirement, survivor, and disability benefits to its members. General employees are fully vested after 5 years of creditable service if covered by the MSEP, MSEP 2000, and MSEP 2011 plans. Elected officials are fully vested after 4 years of creditable service and Members of the General Assembly are fully vested after 6 years of creditable service. The base retirement benefits are calculated by multiplying the employee's final average pay by a specific factor multiplied by the years of credited service. The retirement eligibility requirements are as follows for general employees:

**MSEP**

Age 65 and active with 4 years of service  
Age 65 with 5 years of service  
Age 60 with 15 years of service  
Age 48 with age and service equaling 80 or more (Rule of 80)  
Employees may retire early at age 55 with at least 10 years of service with reduced benefits.  
The base benefit in the general employee plan is equal to 1.6% multiplied by the final average pay multiplied by years of credited service.

**MSEP 2000**

Age 62 with 5 years of service  
Age 48 with age and service equaling 80 or more (Rule of 80)  
Employees may retire early at age 57 with at least 5 years of service with reduced benefits.  
The base benefit in the general employee plan is equal to 1.7% multiplied by the final average pay multiplied by years of credited service.

**MSEP 2011**

Age 67 with 5 years of service  
Age 55 with age and service equaling 90 or more (Rule of 90)  
Employees may retire early at age 62 with at least 5 years of service with reduced benefits.  
The base benefit in the general employee plan is equal to 1.7% multiplied by the final average pay multiplied by years of credited service.

**Judicial Plan**

Age 62 with 12 years of service  
Age 60 with 15 years of service  
Age 55 with 20 years of service  
Employees may retire early at age 62 with less than 12 years of service or age 60 with less than 15 years of service with a reduced benefit that is based upon years of service relative to 12 or 15 years.  
The base benefit for members with 12 or more years of service is equivalent to 50% of compensation on the highest court served.

**Judicial Plan 2011**

Age 67 with 12 years of service  
Age 62 with 20 years of service  
Employees may retire early at age 67 with less than 12 years of service with reduced benefits or age 62 with less than 20 years of service with a reduced benefit based on years of service.  
The base benefit for members with 12 or more years of service is equivalent to 50% of compensation on the highest court served.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

For members hired prior to August 28, 1997, cost of living adjustments (COLAs) are provided annually based on 80% of the percentage increase in the average Consumer Price Index (CPI) from one year to the next, with a minimum rate of 4% and a maximum rate of 5%, until the cumulative amount of COLAs equals 65% of the original benefit, thereafter the 4% minimum rate is eliminated. For members hired on or after August 28, 1997, and members who have met their COLA cap receive COLAs annually based on 80% of the percentage increase in the average CPI from one year to the next, up to a maximum rate of 5%. Qualified, inactive-vested members of MSEP and the Judicial Plan may make a one-time election to receive the present value of their future benefit in a lump sum payment. To qualify, a member must have left state employment on or after October 1, 1984 and prior to September 1, 2002, have less than 10 years of service, not be within 5 years of retirement eligibility, meet age requirements, and have a benefit present value of less than \$10,000.

The Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) is a single-employer, defined benefit public employee retirement plan administered in accordance with Sections 104.010-104.1093, RSMo.

MPERS is considered a single-employer plan because its membership is composed of qualified employees of the Missouri Department of Transportation, uniformed and non-uniformed members of the Missouri State Highway Patrol, and MPERS staff.

MPERS provides retirement, survivor, and disability benefits to its members. The MPERS has three benefit structures known as the Closed Plan, the Year 2000 Plan, and the Year 2000 Plan-2011 Tier. Generally, the Closed Plan covers employees hired before July 1, 2000. The Year 2000 Plan generally covers employees hired on or after July 1, 2000 and before January 1, 2011. The Year 2000 Plan-2011 Tier covers employees hired on or after January 1, 2011. Employees covered by the Closed Plan and the Year 2000 Plan are fully vested after 5 years of creditable service. Employees covered by the 2011 Tier are fully vested after 5 years of creditable service if they were active on or after January 1, 2018.

The retirement eligibility requirements are as follows:

**Closed Plan**

**MoDOT and non-uniformed patrol members:**

Age 65 and active with 4 or more years  
of service  
Age 65 with 5 or more years of service  
Age 60 with 15 or more years of service  
Age 48 with sum of age and service  
equaling 80 or more (Rule of 80)

**Uniformed patrol members:**

Age 55 and active with 4 or more years  
of service  
Age 55 with 5 or more years of service  
Age 48 with sum of age and service  
equaling 80 or more (Rule of 80)  
Mandatory retirement at age 60

All non-uniformed members may retire early, with reduced benefits, at age 55 with at least 10 years of service.

The base benefit in the Closed Plan is equal to 1.6% multiplied by the final average pay multiplied by years of creditable service for non-uniformed members. For members of the uniformed patrol, the base benefit is equal to 2.1333% multiplied by the final average pay multiplied by years of creditable service.

For members employed prior to August 28, 1997, cost of living adjustments (COLAs) are provided annually based on 80% of the increase in the Consumer Price Index for all urban consumers for the United States (CPI-U). The minimum rate is 4% and the maximum rate is 5%, until the cumulative amount of COLAs equals 65% of the original benefit. Thereafter, the 4% minimum rate is eliminated and the annual COLA rate will be equal to 80% of the increase in the CPI-U (annual maximum of 5%). For members employed on or after August 28, 1997, COLAs are provided annually based on 80% of the increase in the CPI-U, up to a maximum rate of 5%.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

**Year 2000 Plan**

**MoDOT and non-uniformed patrol members:**

Age 62 with 5 or more years of service  
 Age 48 with sum of age and service  
 equaling 80 or more (Rule of 80)

**Uniformed patrol members:**

Age 48 with sum of age and service  
 equaling 80 or more (Rule of 80)  
 Mandatory retirement at age 60 with  
 5 or more years of service

All members may retire early with reduced benefits at age 57 with at least 5 years of service.

The base benefit in the Year 2000 Plan is equal to 1.7% multiplied by the final average pay multiplied by years of creditable service. Members retiring under the Rule of 80, and uniform patrol members retiring at the mandatory retirement age (currently 60), receive an additional temporary benefit until age 62. The temporary benefit is equivalent to 0.8% multiplied by final average pay multiplied by years of creditable service. COLAs are provided annually based on 80% of the change in the CPI-U, up to a maximum rate of 5%.

**Year 2000 Plan-2011 Tier**

**MoDOT and non-uniformed patrol members:**

Age 67 with 5 or more years of service  
 Age 55 and active with sum of age and service  
 equaling 90 or more (Rule of 90)

**Uniformed patrol members:**

Age 55 and active with 5 or more years  
 of service  
 Mandatory retirement at age 60 with no  
 minimum service amount, active only.

Active MoDOT and non-uniformed patrol members may retire early with reduced benefits at age 62 with at least 5 years of service. Terminated and vested uniformed patrol members may retire at age 67 with 5 or more years of service.

The base benefit in the 2011 Tier is equal to 1.7% multiplied by the final average pay multiplied by years of creditable service. Members retiring under the Rule of 90, and uniform patrol members retiring at the mandatory retirement age (currently 60) or at age 55 with 5 years of creditable service, receive an additional temporary benefit until age 62. The temporary benefit is equivalent to 0.8% multiplied by final average pay multiplied by years of creditable service. COLAs are provided annually based on 80% of the change in the CPI-U, up to a maximum rate of 5%.

Single-Employer Plans:

**Employees Covered by Benefit Terms – Single-Employers Only**

As of June 30, 2021 valuation, membership consisted of the following:

	<u>Judicial Plan</u>	<u>MPERS</u>
Retirees, beneficiaries, and the disabled currently receiving benefits	607	9,235
Terminated employees entitled to, but not yet receiving benefits	27	2,133
Active		
Vested	—	5,106
Nonvested	418	2,113
Total Membership	<u>1,052</u>	<u>18,587</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

**Contributions**

Per Chapter 104.436, RSMo, contribution requirements of the active employees and the participating employers are established and may be amended by the MOSERS Board. Employees in the MSEP 2011 Plan are required to contribute 4.00% of their annual pay. The State's required contribution rates for the MSEP and the Judicial Plan for the year ended June 30, 2021, were 22.88% and 63.38% of annual payroll, respectively. The contribution rates as a percentage of covered payroll for the MSEP and the Judicial Plan for the year ended June 30, 2021, were 22.88% and 63.38%, respectively. Contributions to the pension plan from the MSEP Plan and the Judicial Plan were \$388,097,000 and \$39,990,000 respectively, for the year ended June 30, 2021.

Per Chapter 104.070, RSMo, contribution requirements of the active employees and the participating employers are established and may be amended by the MPERS Board of Trustees. Beginning January 1, 2011, employee contributions of 4.00% of gross pay are required for those covered by the Year 2000 Plan-2011 Tier. Employer contributions are determined through annual actuarial valuations. Administrative expenses are financed through contributions from participating employers and investment earnings. The state's required contribution rate, as adopted by the MPERS Board of Trustees, for the year ended June 30, 2021, was to be at least 58.00%. The contribution rate as a percentage of covered payroll for the MPERS plan year ended June 30, 2021, was 58.00%. Contributions to the pension plan from the MPERS plan were \$208,213,000.

For the portion of the MSEP Plan relating to the State's component units, the required contribution rate for the year ended June 30, 2021, was 22.88%. The contribution rates as a percentage of covered payroll for the year ended June 30, 2021, was 22.88%. Contributions to the pension plan were \$71,589,000 for the year ended June 30, 2021.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

**Cost-Sharing Multiple Employer Plan:**

At June 30, 2022, a liability was reported for the State's proportionate share of the net pension liability for the MSEP and the MSEP-CU plans based on an actuarial valuation as of June 30, 2021. The State's proportionate share of the net pension liability was based on the State's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for plan year ended June 30, 2021.

The State reported the following proportionate share of the net pension liability and the pension expense for the fiscal year ended June 30, 2022 (in thousands of dollars):

	<u>MSEP</u>	<u>MSEP-CU</u>
Pension Expense	\$ 615,127	\$ 81,507
Proportionate share:		
2022	84.15 %	15.52 %
Net Pension Liability	\$4,704,810	\$ 867,854

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 7 - Retirement Systems (cont.)**

Single-Employer Plans:

The State's net pension liability and related information for the Judicial and MPERS plans for the fiscal year ended June 30, 2022 (in thousands of dollars):

	Judicial Plan Increase (Decrease)			MPERS Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a) – (b)	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2021	\$ 624,848	\$ 167,289	\$ 457,559	\$4,092,098	\$ 2,361,600	\$ 1,730,498
Changes for the year:						
Service Cost	12,872	—	12,872	43,727	—	43,727
Interest	42,005	—	42,005	278,523	—	278,523
Differences Between expected and actual experience	(6,886)	—	(6,886)	(26,472)	—	(26,472)
Changes of Assumptions	(4,929)	—	(4,929)	226,320	—	226,320
Contributions – Employer	—	39,996	(39,996)	—	208,213	(208,213)
Contributions – Employee	—	1,448	(1,448)	—	7,096	(7,096)
Net Income Investment	—	44,050	(44,050)	—	699,644	(699,644)
Benefit payments, including refunds of employee contributions	(41,626)	(41,626)	—	(266,719)	(266,719)	—
Disability Premiums	—	—	—	(1,601)	(1,601)	—
Administrative Expense	—	(76)	76	—	(4,585)	4,585
Net Transfers to Other Retirement Systems	—	—	—	(1,803)	277	(2,080)
Net Changes	1,436	43,792	(42,356)	251,975	642,325	(390,350)
Balances at June 30, 2022	<u>\$ 626,284</u>	<u>\$ 211,081</u>	<u>\$ 415,203</u>	<u>\$4,344,073</u>	<u>\$ 3,003,925</u>	<u>\$ 1,340,148</u>

For the year ended June 30, 2022, the Judicial Plan and MPERS recognized pension expense of \$37,148,000 and \$134,331,000, respectively.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 7 - Retirement Systems (cont.)**

At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources				Deferred Inflows of Resources			
	MSEP	Judicial	MPERS	MSEP-CU	MSEP	Judicial	MPERS	MSEP-CU
Difference between expected and actual experience	\$ 75,020	\$ 238	\$ 1,880	\$ 13,838	\$20,815	\$12,990	\$ 23,247	\$ 3,840
Changes of assumptions	329,055	4,518	183,836	60,698	—	3,738	—	—
Net difference between projected and actual earnings on pension plan investments	—	—	—	—	848,227	22,176	325,829	156,465
Changes in proportion and differences between plan contributions and proportionate share of contributions	32,797	—	—	6,246	129	—	—	38,904
Contributions subsequent to the measurement date	392,186	39,268	212,711	74,722	—	—	—	—
<b>Total</b>	<b>\$ 829,058</b>	<b>\$44,024</b>	<b>\$398,427</b>	<b>\$155,504</b>	<b>\$869,171</b>	<b>\$38,904</b>	<b>\$349,076</b>	<b>\$199,209</b>

Amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period of the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands of dollars):

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources			
	MSEP	Judicial	MPERS	MSEP-CU
2023	\$ 40,041	\$ (8,398)	\$ (18,571)	\$ (14,766)
2024	6,989	(9,799)	(21,274)	(15,244)
2025	(227,259)	(9,065)	(23,192)	(41,920)
2026	(252,070)	(6,886)	(100,323)	(46,497)
<b>Totals</b>	<b>\$ (432,299)</b>	<b>\$ (34,148)</b>	<b>\$ (163,360)</b>	<b>\$ (118,427)</b>

**Actuarial Assumptions**

The total pension liability at June 30, 2022, is based upon the June 30, 2021, actuarial valuation for MOSERS and MPERS using the entry age normal actuarial cost method. Significant actuarial assumptions used in the June 30, 2021, actuarial valuations are the following:

	MSEP and MSEP-CU	Judicial	MPERS
Price Inflation	2.25 %	2.25 %	3.00 %
Salary Increases	2.75-10.00%	3.00 %	3.00-12.45%
Investment Rate of Return	6.95 %	6.95 %	6.50 %



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 7 - Retirement Systems (cont.)**

The actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study covering the five-year period ended June 30, 2020, performed in 2021, for MOSERS. Changes in assumptions since the prior year were: subsequent changes in the unfunded actuarial accrued liability due to actuarial gains/losses or assumption changes are now amortized over a closed 25 year period, instead of 30 years; the mortality assumptions are now based on generational tables; the merit component of the salary increase assumption was adjusted to partially reflect observed experience. For the MSEP and Judicial Plan, the pre-retirement mortality rates were based on the Pub-2010 General Members Below Median Employee mortality table; the post-retirement mortality rates for retirees were based on the Pub-2010 General Members Below Median Healthy Retiree mortality table, scaled by 104% for MSEP; the post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Members Median Contingent Survivor mortality table; mortality was projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020, all tables were set back 2 years for males and set forward 1 year for females for MSEP.

Amounts reported in the June 30, 2021, actuarial report are assumptions reflecting adjustments to expected rates of withdrawal, disability, normal and early retirement, mortality, and merit and seniority pay for MPERS. The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2017. Mortality rates, for post-retirement mortality, used in evaluating allowances to be paid to non-disabled pensioners were the RP-2014 Healthy Mortality Tables projected to 2022 using projection scale MP-2017. The pre-retirement mortality used were the RP-2014 Employee Mortality Table projected to 2022 using projection scale MP-2017 and multiplied by a factor of 65%. Disabled pension mortality was based on RP-2014 Disabled Retiree Annuitant Mortality Tables projected to 2022 using projection scale MP-2017.

The long-term (30 year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the real rates of return for the MSEP and Judicial Plan and arithmetic real rates of return for MPERS for each major asset class included in the target allocation are summarized in the table below:

**Target Asset Allocation**

Asset Class	MSEP and MSEP-CU		Judicial		MPERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	30.0%	5.8%	30.0%	5.8%	40.0%	2.6%
Private Equity	15.0%	7.4%	15.0%	7.4%	10.0%	6.6%
Fixed Income					22.5%	(0.4)%
Real Assets					10.0%	3.1%
Real Estate					10.0%	2.5%
Hedge Funds	5.0%	2.9%	5.0%	2.9%		
Opportunistic Debt					7.5%	4.1%
Long Treasuries	25.0%	1.6%	25.0%	1.6%		
Core Bonds	10.0%	1.2%	10.0%	1.2%		
Commodities	5.0%	3.6%	5.0%	3.6%		
TIPS	25.0%	0.8%	25.0%	0.8%		
Private Real Assets	5.0%	5.2%	5.0%	5.2%		
Public Real Assets	5.0%	5.8%	5.0%	5.8%		
Alternative Beta	10.0%	3.4%	10.0%	3.4%		
Private Credit	5.0%	7.6%	5.0%	7.6%		
Cash and Cash Equivalents**	(40.0)%	0.0%	(40.0)%	0.0%		
	<u>100.0%</u>		<u>100.0%</u>		<u>100.0%</u>	

\*\*Cash and cash equivalents policy allocation amounts are negative due to use of leverage.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

**Discount Rate**

A single discount rate based on the expected rate of return on pension investments of 6.95%, 6.95%, and 6.50% was used to measure the total pension liability for MSEP, Judicial Plan, and MPERS, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate for MPERS. The projection of cash flows used to determine the discount rate assumed that contributions will be made using actuarial determined rates from participating employers for MOSERS. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate, as well as, what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	5.95%	6.95%	7.95%
MSEP Net Pension Liability	\$6,201,169	\$4,704,810	\$3,455,538
	5.95%	6.95%	7.95%
Judicial Plan Net Pension Liability	\$477,775	\$415,203	\$361,631
	5.50%	6.50%	7.50%
MPERS Net Pension Liability	\$1,861,001	\$1,340,148	\$906,821
	5.95%	6.95%	7.95%
MSEP-CU Net Pension Liability	\$1,143,874	\$867,854	\$637,412

**Payables to the Pension Plan**

As of June 30, 2022, the State had payables of \$19,020,000 to MOSERS for the outstanding amount of contributions to the pension plan, relating to a two week lag in payroll.

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separate financial reports issued by MOSERS and MPERS:

Missouri State Employees' Retirement System  
P.O. Box 209  
Jefferson City, Missouri 65102-0209  
[www.mosers.org](http://www.mosers.org)

Missouri Department of Transportation and  
Highway Patrol Employees' Retirement System  
P.O. Box 1930  
Jefferson City, Missouri 65102-1930  
[www.mpers.org](http://www.mpers.org)

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

**University of Missouri Retirement System**

**Plan Description**

The University of Missouri Retirement, Disability, and Death Benefit Plan is a single-employer defined benefit plan for all qualified employees. As authorized by Section 172.300, RSMo, the University's Board of Curators administers the Retirement Plan and establishes its terms.

Full-time employees vest in the Retirement Plan after five years of credited service and become eligible for benefits based on age and years of service. A vested employee who retires at age 65 or older is eligible for a lifetime annuity calculated at a certain rate times the credited service years times the compensation base (average consumption for the five highest consecutive salary years). The rate is 2.2% if the employee was hired before October 1, 2012, or 1.0% if the employee was hired after September 30, 2012. Academic members who provide summer teaching and research service receive additional summer service credit. The Board of Curators may periodically approve increases to the benefits paid to existing pensioners. However, vested members who leave the University prior to eligibility for retirement are not eligible for these pension increases. Vested employees who are at least age 55 and have ten years or more of credited service, or age 60 with at least five years of credited service may choose early retirement with a reduced benefit. However, if the employee retires at age 62 and has at least 25 years of credited service, the benefit is not reduced. Up to 30% of the retirement annuity can be taken in a lump sum payment. In addition, the standard annuity can be exchanged for an actuarially-equivalent annuity selected from an array of options with joint and survivor, period certain, and guaranteed annual increase features.

As of June 30, 2022, membership consisted of the following:

Vested members	13,409
Inactive vested members	6,098
Pensioners and beneficiaries	11,479
Total Membership	<u>30,986</u>

The University closed the defined benefit plan to new entrants as of October 1, 2019. Employees starting on or after that date, are enrolled in a defined contribution plan. Vested defined benefit employees that are rehired on or after October 1, 2019, no longer receive creditable service credit within the defined benefit plan.

**Contributions**

The University's contributions to the Retirement Plan are equal to the actuarially determined contribution requirement (ADC). The ADC for those employees hired before October 1, 2012, averaged 12.7% of covered payroll for the year ending June 30, 2022. The ADC for those employees hired after September 30, 2012, averaged 9.1% of covered payroll for the year ended June 30, 2022. Employees are required to contribute 1% of their salary up to \$50,000 in a calendar year and 2% of their salary in excess of \$50,000. An actuarial valuation of the Plan is performed annually and the University's contribution rate is updated on July 1, to reflect the actuarially determined funding requirement from the most recent valuation, as of the preceding October 1. This actuarial valuation reflects the adoption of any Retirement Plan amendments during the previous fiscal year. The University contributed \$114,999,000 during the fiscal year ended June 30, 2022.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

Employees hired after September 30, 2012, participate in a single employer, defined contribution plan. Each year the University contributes 2% of each employee's eligible salary to a 401(a) plan. Employees are able to contribute to a 457(b) and 403(b) plan. The University will match up to 3% of the employee's contribution to the 457(b) plan with the University's match funds going into the 401(a) plan. Employees in the defined contribution plans are immediately 100% vested in their contributions. Employees hired or rehired beginning October 1, 2019, will participate in a single employer, defined contribution plan. Employees will be automatically enrolled in the plan to contribute 8% of eligible salary into a 457(b) plan. Each year the University will match up to 8% of each employer's eligible salary to a 401(a) plan. The University's matching contributions vest following three years of consecutive or nonconsecutive service. The defined contribution plan recognized \$37,385,000 of pension expense net of \$5,859,000 of forfeitures for the year ended June 30, 2022.

**Net Pension Liability**

The Retirement Plan's net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2021. Roll-forward procedures were used to measure the Retirement Plan's net pension liability as of June 30, 2022. For the year ended June 30, 2022, fiduciary net position as a percentage of the total pension liability amounted to 80.24%.

Changes in net pension liability (in thousands of dollars):

	Total Pension Liability (TPL) (a)	Fiduciary Net Pension (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balances at June 30, 2021	\$ 4,872,088	\$ 4,557,145	\$ 314,943
Changes for the year:			
Service Cost	60,290	—	60,290
Interest	343,730	—	343,730
Differences between expected and actual experience	114,655	—	114,655
Changes in assumptions	243,508	—	243,508
Contributions – Employer	—	114,999	(114,999)
Contributions – Employee	—	14,238	(14,238)
Net Income Investment	—	(107,876)	107,876
Benefit payments, including refunds of employee contributions	(292,357)	(292,357)	—
Net Changes	469,826	(270,996)	740,822
Balances at June 30, 2022	<u>\$ 5,341,914</u>	<u>\$ 4,286,149</u>	<u>\$ 1,055,765</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

**Pension Expense**

Annual pension expense consists of service cost and interest on the pension liability less employee contributions and projected earnings on pension plan investments. The difference between actual and expected earnings is recorded as a deferred outflow/inflow of resources and recognized in pension expense over a five year period.

For the year ended June 30, 2022, the Retirement Plan recognized pension expense of \$196,499,000. At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 122,369	\$ 6,725
Changes in assumptions	203,876	—
Net difference between projected and actual earnings on pension plan investments	—	26,473
Total	<u>\$ 326,245</u>	<u>\$ 33,198</u>

The University recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the University's employees. The following table summarizes the future recognition of these items:

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources
	Recognition
2023	\$ 119,168
2024	77,596
2025	10,582
2026	85,701
Totals	<u>\$ 293,047</u>

**Actuarial Assumptions**

The October 1, 2021, actuarial valuation utilized the entry age actuarial cost method. The discount rate used to measure the total pension liability was 7.00%. Actuarial assumptions included:

Inflation	2.20 %
Salary Increases	3.5 - 4.4%
Investment Rate of Return	7.00 %

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 7 - Retirement Systems (cont.)**

For purposes of determining actuarially required contributions, the actuarial value of assets was determined using techniques that spread effects of short-term volatility in the market value of investments over a five-year period. Starting with the October 1, 2021 valuation the underfunded actuarial accrued liability is being amortized using a method that separately amortizes the initial unfunded liability as of October 1, 2021 over 20 years, the impact of the assumption changes over 20 years, and future experience gains and losses over 25 years and 15 years, respectively. The mortality rates were based on Pub-2010 Teacher Healthy Annuitant Mortality Table with generational projection using scale MP-2020 for academic and administrative members and Pub-2010 General Healthy Annuitant Mortality Table with generational projection using scale MP-2020 for clerical and service members.

The actuarial assumptions used in the October 1, 2021, valuation were based on the results of the most recent quinquennial study of the University's own experience covering 2016 to 2020.

The annual money-weighted rate of return is calculated as the internal rate of return on pension investments, net of pension plan investment expense. The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan investments for the year ended June 30, 2022, was (1.8)%. The following table provides long-term expected rates of real return:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	34.0 %	3.8 %
Private equity	13.0 %	7.3 %
Sovereign bonds	8.0 %	(0.7)%
Inflation linked bonds	9.0 %	(0.5)%
Private debt	6.0 %	5.8 %
Risk balanced	12.0 %	4.9 %
Commodities	5.0 %	1.2 %
Real estate	13.0 %	6.3 %
	<u>100.0 %</u>	

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the University contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 7 - Retirement Systems (cont.)**

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate, as well as, what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	6.00%	7.00%	8.00%
MU Net Pension Liability	\$1,726,811	\$1,055,765	\$492,627

Separate financial statements are not prepared for the Plan.

Detailed information concerning the Plan is presented in the University's 2022 financial report, which is publicly available. Copies of this report may be requested from:

University of Missouri System  
118 University Hall  
Columbia, Missouri 65211  
[www.umsystem.edu](http://www.umsystem.edu)

**Note 8 - Other Postemployment Benefits**

In addition to the retirement benefits described in Note 7, the State provides postemployment health care and life insurance benefits, in accordance with State statutes, to the majority of employees who either retire from the State or receive long-term disability benefits. These benefits are administered by the Missouri Consolidated Health Care Plan (MCHCP), the Missouri State Employees' Retirement System (MOSERS), the Missouri Department of Transportation and Highway Patrol Employees' Medical and Life Insurance Plan (MHPML), and the Conservation Employees' Insurance Plan (CEIP). MCHCP is a cost-sharing multiple-employer, defined benefit other postemployment benefits plan, MOSERS is an insured, defined benefit insurance plan, and MHPML and CEIP are single-employer defined benefit public employees' other postemployment benefits plans.

**Plan Descriptions**

Missouri Consolidated Health Care Plan (MCHCP) operates a cost-sharing multiple-employer, defined benefit Other Postemployment Benefits Plan (OPEB), the State Retiree Welfare Benefit Trust (SRWBT). Employees may participate at retirement, if eligible, to receive a monthly retirement benefit from either the Missouri Employees' Retirement System (MOSERS) or another retirement system whose members are grandfathered for coverage under the MCHCP by law. The terms and conditions governing postemployment benefits, are vested with the MCHCP Board of Trustees within the authority granted under sections 103.003 - 103.178, RSMo. MCHCP provides medical, dental, and vision benefits, and the Strive Employee Life & Family program for the exclusive benefit of current and future retired employees of the state and their dependents who meet eligibility requirements, except those retired members covered by other OPEB plans of the state. Covered categories include active employees, participants and spouses in payment status, participants with a deferred benefit, and disabled participants.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 8 - Other Postemployment Benefits (cont.)**

The Missouri Department of Transportation and Highway Patrol Employees' Medical and Life Insurance Plan (MHPML) is a single-employer, defined benefit OPEB plan administered in accordance with Section 104.270, RSMo. MHPML is not a separate legal entity and is self insured. The plan does not maintain assets in a trust and pays expenses on a pay-as-you-go basis. The plan assets are neither legally protected from creditors nor are they dedicated to providing OPEB benefits. The State has no legal obligation to pay the benefits. MHPML provides healthcare insurance benefits to employees who retired from the Department who participated in the Medical and Life Insurance Plan when they were an active employee and had a minimum of five years creditable service. Coverage categories include retirees, certain disabled employees, spouses, certain dependents and survivors of deceased employees and retirees. At July 1, 2021, the number of participants covered by the plan included 6,148 retirees or beneficiaries currently receiving benefits, 80 retirees entitled to but not yet receiving benefits, and 7,237 active employees.

The Conservation Employees' Benefits Plan (CEIP) is a single-employer defined benefit OPEB plan administered by the Conservation Employees' Benefits Plan Board of Trustees in accordance with Article IV, Section 42 of the Missouri Constitution. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The benefit plan for the Department of Conservation is not irrevocable.

CEIP provides for the continuation of medical insurance benefits for retirees and their dependents. Coverage categories include active employees, retirees and surviving spouses, and spouses of current retirees. At June 30, 2021, 1,326 active employees, 869 retirees and surviving spouses, and 409 spouses of current employees were participating in the plan.

**Contributions**

Contributions are established and may be amended by the MCHCP Board of Trustees with the authority granted under sections 103.003 - 103.178, RSMo. Contributions to MCHCP by the State are not legally or contractually required. For the fiscal year end June 30, 2021, employers contributed 4.29% for the period July 1, 2020 through December 31, 2020; 4.22% for the period January 1, 2021 through June 30, 2021, of covered payroll. Retiree contribution rates are established based on projected claims experience and funding provided by employer contributions. Contributions to the OPEB plan for MCHCP and MCHCP-CU was \$74,039,000 and \$33,000, respectively for the year ended June 30, 2022.

The contribution requirements for MHPML are recommended by the Medical and Life Insurance Plan's Board of Trustees and are approved by the Missouri Highways and Transportation Commission. The Commission contributes a percentage of medical premiums for retirees. For those who retired on or prior to January 1, 2015, an amount ranging from 40.0% to 57.0% of the premium is contributed, dependent on the level of coverage. Medical premiums, for employees who retire on or after January 1, 2015, are based on total years of service, with the Commission contributing 2.0% per year of service, not to exceed 50.0% of the total premium, with the retiree responsible for the remaining balance of the premiums. Benefit projections for financial reporting purposes are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and the historical pattern of cost sharing between employer and the plan members to that point. Contributions to the Plan for the year ended June 30, 2022, was \$23,838,000.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 8 - Other Postemployment Benefits (cont.)**

The contribution requirements for CEIP are established by a trust agreement between the Conservation Commission and the Conservation Employees' Benefits Plan Board of Trustees, which grants the authority to establish and amend benefit terms and financing requirements to the Board of Trustees. The Commission contribution toward retiree medical premium is based on tenure or years of service with the State. At the time of retirement, employees who have 25+ years of service receive a 35% contribution, 20-24 years of service receive a 30% contribution, 15-19 years of service receive a 26.47% contribution, vested status up to 14 years of service receive a 21.57% contribution, and employees who retired prior to January 1, 2013, continue to receive a 35% contribution towards their premium. Benefit projections for financial reporting purposes are based on an established policy of the retiree's paying the premium amount less any direct subsidy paid by the Commission based on years of service and date of retirement. Contributions to the Plan for the year ended June 30, 2022, was \$3,128,000.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

**Cost-Sharing Multiple Employer Plan:**

At June 30, 2022, a liability was reported for the State's proportionate share of the collective net OPEB liability for the MCHCP and the MCHCP-CU plans based on an actuarial valuation as of July 1, 2021. The State's proportionate share of the collective net OPEB liability was calculated by dividing the State's contribution to the SRWBT by the total contributions from all applicable employers during the measurement period. From the previous valuation, the discount rate changed from 4.38% to 4.50%.

The State reported the following proportionate share of the collective net OPEB liability and the OPEB expense for the fiscal year ended June 30, 2022, was as follows (in thousands of dollars):

	MCHCP	MCHCP-CU
OPEB Expense	\$ 94,486	\$ 29
Proportionate share:	99.61 %	0.04 %
Net OPEB Liability	\$1,699,030	\$ 749

**Single-Employer Plans:**

The State's total OPEB liability and related information for the MHPML and CEIP plans for the fiscal year ended June 30, 2022, were as follows (in thousands of dollars):

	MHPML	CEIP
	Total OPEB Liability	Total OPEB Liability
Balances at June 30, 2021	\$ 1,355,660	\$ 155,450
Changes for the year:		
Service Cost	44,538	4,031
Interest	30,682	3,411
Differences between expected and actual experience	(28,165)	—
Effect of economic/demographic gains or losses	—	(5,674)
Changes of assumptions or other inputs	(13,734)	(31,215)
Benefit payments	(23,838)	(3,128)
Net Changes	9,483	(32,575)
Balances at June 30, 2022	\$ 1,365,143	\$ 122,875

For the year ended June 30, 2022, the MHPML and CEIP recognized OPEB expense of \$53,430,000 and \$712,000, respectively.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 8 - Other Postemployment Benefits (cont.)**

At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to OPEBs were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources				Deferred Inflows of Resources			
	MCHCP	MHPML	CEIP	MCHCP -CU	MCHCP	MHPML	CEIP	MCHCP -CU
Difference between expected and actual experience	\$ 68,447	\$ 219	\$ —	\$ 30	\$ (17,112)	\$ (53,251)	\$ (22,364)	\$ (8)
Changes of assumptions	—	168,462	19,566	—	(210,817)	(93,424)	(27,044)	(94)
Net difference between projected and actual earnings on plan investments	—	—	—	—	(5,121)	—	—	(2)
Changes in proportion and differences between employer contributions and proportionate share of contributions	935	—	—	68	(347)	—	—	(140)
Contributions subsequent to the measurement date	71,397	23,513	—	27	—	—	—	—
Total	<u>\$140,779</u>	<u>\$192,194</u>	<u>\$19,566</u>	<u>\$ 125</u>	<u>\$ (233,397)</u>	<u>\$ (146,675)</u>	<u>\$ (49,408)</u>	<u>\$ (244)</u>

Amount reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the measurement period of the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands of dollars):

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources			
	MCHCP	MHPML	CEIP	MCHCP-CU
2023	\$ (25,364)	\$ (21,791)	\$ (6,730)	\$ (24)
2024	(26,055)	1,939	(6,026)	(25)
2025	(26,260)	13,132	(7,031)	(25)
2026	(27,040)	30,726	(6,459)	(25)
2027	(24,597)	(2,000)	(3,596)	(22)
Thereafter	(34,699)	—	—	(25)
Totals	<u>\$ (164,015)</u>	<u>\$ 22,006</u>	<u>\$ (29,842)</u>	<u>\$ (146)</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 8 - Other Postemployment Benefits (cont.)**

**Actuarial Assumptions**

The total OPEB liability at June 30, 2022, is based upon the the July 1, 2021, actuarial valuation date for MCHCP and MHPML, and the June 30, 2021, actuarial valuation date for CEIP, using the entry age normal actuarial cost method. Significant actuarial assumptions used in the actuarial valuations are the following:

	MCHCP and MCHCP-CU
Price Inflation	3.00%
Salary Increases	4.00%
Investment Rate of Return	4.50%
Healthcare Cost Trend Rate	Non-Medicare is 6.50% for fiscal 2022; the rate decreases by 0.25% per year to an ultimate rate of 5.00% in fiscal 2028 and later. Medicare is 9.00% in fiscal 2022, 13.50% in fiscal 2023, 12.50% in fiscal 2024, 11.50% in fiscal 2025, 10.50% in fiscal 2026, 9.75% in fiscal 2027, 9.00% in fiscal 2028, 8.25% in fiscal 2029, 7.50% in fiscal 2030, 6.75% in fiscal 2031, 6.00% in fiscal 2032, 5.25% in fiscal 2033, then 5.00% in fiscal 2034 and after.
	MHPML
Price Inflation	2.00%
Salary Increases	2.50%
Investment Rate of Return	2.16%
Healthcare Cost Trend Rate	6.10% for 2021, decreasing to 4.60% for 2027 and later years.
	CEIP
Price Inflation	2.3%
Salary Increases	4.0%
Investment Rate of Return	3.54%
Healthcare Cost Trend Rate	Pre-65 rate of 5.8% for 2021, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond. Post-65 trend rate of 5.6% for 2021, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond.

MCHCP's actuarial assumptions used in the July 1, 2021, valuation for SRWBT involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The valuation to determine MCHCP's total OPEB liability is required to be performed at least every two years, but is performed annually. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations. The collective total OPEB liability for June 30, 2021, measurement date was determined by an actuarial valuation as of July 1, 2021. The cost method utilized for the valuation year June 30, 2021, was the entry age normal, level percentage of payroll. Mortality rates were based on Pri-2012 for Employees/Annuitants without collar adjustments using Scale MP-2021. The last experience study was conducted in 2020.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 8 - Other Postemployment Benefits (cont.)**

MHPML's actuarial assumptions used in the July 1, 2021, valuation were determined using a measurement date of July 1, 2021. The inflation rate was based on the actuary's long-term estimate of inflation as of July 1, 2020. The salary increases were based on projected salaries, which include COLA's. The discount rate was based on Bond Buyer General Obligation 20-Bond Municipal Bond Index. Mortality rates were based on Pub-2010 Public Retirement Plans Safety Employees Mortality Table weighted by Headcount project by MP-2021 for July 1, 2021. The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2020, through June 30, 2021. From the previous valuation, the discount rate changed from 2.21% to 2.16%.

CEIP's actuarial assumptions used in the June 30, 2021, valuation were determined using a measurement date of June 30, 2022. The discount rate was based on the 20-year Bond General Obligation Index. Mortality rates were based on Pub-2010 Mortality for General Employees, Healthy Annuitants and Contingent Survivors, with generational projection per Scale MP-2021. The plan has not had a formal actuarial experience study performed. From the previous valuation, the discount rate changed from 2.16% to 3.54%.

For MCHCP, the long-term expected rate of return on OPEB plan investments was determined as a blend of the plan sponsor's best estimate on the expected return on plan assets and the 20-year high quality municipal bond rate as of the measurement date. The target asset allocation and best estimates of arithmetic real rate of returns for each major asset class are listed below.

Asset Class	MCHCP and MCHCP-CU	
	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Stocks	18.0%	8.5%
Mid Cap Stocks	7.0%	8.8%
Small Cap Stocks	9.0%	8.8%
International Stocks	5.0%	8.9%
BarCap Aggregate Bonds	59.0%	2.7%
Cash Equivalents	2.0%	2.2%
	100.0%	

**Discount Rate**

A single discount rate based on the expected rate of return on OPEB investments of 4.50%, 2.16%, and 3.54% was used to measure the total OPEB liability for MCHCP, MHPML, and CEIP, respectively. For MCHCP, the projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at required rates, actuarially determined. For years where the expected benefit payments can be covered by projected trust assets, expected returns are used. For years where payments are not expected to be covered by trust assets, the municipal Bond Buyer 20-Bond General Obligation Index rate is utilized.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 8 - Other Postemployment Benefits (cont.)**

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

Regarding the sensitivity of the net OPEB liability for MCHCP and total OPEB liability for MHPML and CEIP, to changes in the single discount rate, the following presents the State's liability, calculated using a single discount rate, as well as, what the plan's liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
MCHCP Net OPEB Liability	3.50% \$2,030,891	4.50% \$1,699,030	5.50% \$1,436,537
MHPML Total OPEB Liability	1.16% \$1,660,624	2.16% \$1,365,143	3.16% \$1,139,832
CEIP Total OPEB Liability	2.54% \$148,370	3.54% \$122,875	4.54% \$103,239
MCHCP-CU Net OPEB Liability	3.50% \$895	4.50% \$749	5.50% \$633

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

Regarding the sensitivity of the net OPEB liability for MCHCP and the total OPEB liability for MHPML and CEIP, to changes in healthcare cost trend rates, the following presents the plan's liability, calculated using healthcare cost trend rates, as well as, what the plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
MCHCP Net OPEB Liability	\$1,432,364	\$1,699,030	\$2,036,252
MHPML Total OPEB Liability	\$1,115,880	\$1,365,143	\$1,699,528
CEIP Total OPEB Liability	\$103,513	\$122,875	\$148,334
MCHCP-CU Net OPEB Liability	\$631	\$749	\$897

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 8 - Other Postemployment Benefits (cont.)**

**OPEB Plan Fiduciary Net Position**

Detailed information about the OPEB plan's fiduciary net position is available in the separate financial reports issued by MCHCP:

Missouri Consolidated Health Care Plan  
P.O. Box 104355  
Jefferson City, Missouri 65110-4355  
[www.mchcp.org](http://www.mchcp.org)

**Missouri State Insured Defined Benefit Insurance Plan**

The Missouri State Insured Defined Benefit Insurance Plan is administered through The Standard, which is a third party administrator with oversight by Missouri State Employees Retirement System (MOSERS). In the event that the Standard becomes insolvent, the Missouri Guarantee Association will work with the Standard to see what assets are available to handle their liabilities and the MO Guarantee Association would handle the open and unpaid claims up to the maximum outlined in Section 376.717, RSMo.

**Retiree Life Insurance**

Members who retire on or after October 1, 1985, or retirees of the Department of Labor and Industrial Relations (DOLIR) who retire on or after January 1, 1996, are eligible for \$5,000 of state-sponsored basic life insurance coverage if they retire directly from active employment. This group plan is financed on a percentage of payroll and is purchased as a group policy through competitive bids. Premiums are contributed as provided by Section 104.515, RSMo. Retirees of the DOLIR who retire prior to January 1, 1996, are eligible for state-sponsored insured defined benefit coverage in the same amount of coverage they were receiving through the DOLIR. The coverage for this closed group is purchased as a group policy at a current cost of \$2.07 per thousand dollars of coverage, per month as provided by Section 288.225, RSMo. The cost for fiscal year 2022 was \$1,973,000.

**Long-Term Disability Insurance (LTD)**

MOSERS provides LTD coverage for eligible members and generally includes those active members of MOSERS' retirement plans who do not have other disability coverage and are not yet eligible to receive normal (unreduced) retirement benefits. There were 29,503 members covered under the program as of June 30, 2022. This insured defined-benefit coverage is billed on percentage of covered payroll (0.04%). Purchased as group policy through competitive bids, LTD is administered by The Standard Insurance Company. The cost for the year ended June 30, 2022, was \$6,886,000. Premiums are contributed by the State and its component employers as provided for by Section 104.515, RSMo.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 8 - Other Postemployment Benefits (cont.)**

**University of Missouri System**

**Plan Description**

In addition to the retirement benefits described in *Note 7*, the University of Missouri operates a single-employer, defined benefit Other Postemployment Benefits (OPEB) Plan. The assets of the OPEB Trust Fund are irrevocable and legally protected from creditors and dedicated to providing postemployment benefits in accordance with the plan. The OPEB plan provides postemployment medical, dental, and life insurance benefits to employees who retire from the University after attaining age 55 and before reaching age 60 with ten or more years of service, or after attaining age 60 with five or more years of service. As of January 1, 2018, employees must be 60 years old and have 20 years of service at the date of retirement to access the same percentage subsidy as retirees prior to January 1, 2018. Employees with age plus years of service less than 80, but with more than 5 years of service as of January 1, 2018, will receive a subsidy of \$100 per year of service up to a maximum of \$2,500 annually. Employees with less than 5 years of service as of January 1, 2018, will not receive an insurance subsidy or be eligible to participate in the University's plans.

As of June 30, 2022, 8,360 retirees were receiving benefits, and an estimated 7,220 active University employees may become eligible to receive benefits under the plan. Postemployment medical, dental and life insurance benefits are also provided to long-term disability claimants who were vested in the University's Retirement Plan at the date the disability began, provided the onset date of the disability was on or after September 1, 1990. As of June 30, 2022, 119 long-term disability claimants met those eligibility requirements. The terms and conditions governing the postemployment benefits to which employees are entitled are at the sole authority and discretion of the University's Board of Curators. The OPEB plan does not issue a separate financial report.

**Contributions**

Postemployment benefits are funded through both employer and employee contributions. Contribution requirements of employees and the University are established and may be amended by the University's Board of Curators. For employees retiring prior to September 1, 1990, the University contributes 2/3 of the medical benefits premium and 1/2 of the dental plan premium. For employees who retire on or after September 1, 1990, the University contributes towards premiums based on the employee's length of service and age at retirement.

The University makes available two group term life insurance options. Option A coverage is equal to the retiree's salary at the date of retirement, while Option B is equal to two times the amount. For each Option, graded decreases in coverage are made when the retiree attains specific age levels. The University pays the full cost of Option A and approximately 91% of Option B coverage. Coverage for group term life insurance ends on January 1 following the retiree's 70th birthday.

For the year ended June 30, 2022, participant contributions were \$17,325,000, or approximately 52.2%, of the total premiums through their required contributions, which vary depending on the plan and coverage selection. In fiscal year 2022, the contribution rate as a percentage of covered payroll was 2.9% and the University contributed \$15,846,000.

The University also makes available two long-term disability options to its employees. Option A coverage is equal to 60% of the employee's salary on the date the disability began, when integrated with benefits from all other sources. Option B coverage is equal to 66-2/3% of the employee's salary, integrated so that benefits from all sources will not exceed 85% of the employee's salary. Both options have a 149-day waiting period and provide benefits until age 65. The University pays the full cost of the Option A premium, while employees enrolled in Option B pay the additional cost over the Optional A premium.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 8 - Other Postemployment Benefits (cont.)**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

At June 30, 2022, the net OPEB liability for the University was based on an actuarial valuation as of June 30, 2022, and measured as of that date. For the year ended June 30, 2022, fiduciary net position as a percentage of the net OPEB liability amounted to 19.99%.

Changes in net OPEB liability (in thousands of dollars):

	Total OPEB Liability (TOL)	Fiduciary Net Position (FNP)	Net OPEB Liability (NOL)
Balances at June 30, 2021	\$ 253,308	\$ 39,491	\$ 213,817
Changes for the year:			
Service Cost	4,380	—	4,380
Interest	5,399	—	5,399
Differences between expected and actual experience	(1,786)	—	(1,786)
Changes in assumptions	(46,087)	—	(46,087)
Contributions – Employer	—	15,846	(15,846)
Contributions – Employee	—	17,325	(17,325)
Net Investment Income	—	98	(98)
Benefit payments, including refunds of employee contributions	(15,512)	(32,838)	17,326
Administrative Expenses	—	—	—
Net Changes	(53,606)	431	(54,037)
Balances at June 30, 2022	<u>\$ 199,702</u>	<u>\$ 39,922</u>	<u>\$ 159,780</u>

For the year ended June 30, 2022, the University recognized OPEB expense of (\$49,324,000). In FY22, changes in the valuation assumptions included an update to the health care costs and future trends in costs, a revision to the demographic assumptions and an increase in the discount rate. There was also an updated experience study for the retirement plan that was also used for OPEB that had changes to the mortality rate, termination rates prior to retirement, and disability rates, which is what drove the change in the demographic assumptions. At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to OPEBs were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 14,477	\$ 12,258
Changes in assumptions	—	175,218
Net difference between projected and actual earnings on OPEB plan investments	—	747
Total	<u>\$ 14,477</u>	<u>\$ 188,223</u>



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 8 - Other Postemployment Benefits (cont.)**

The University recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the University's employees. The following table summarizes the future recognition of those items (in thousands of dollars):

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources
	Recognition
2023	(58,786)
2024	(55,460)
2025	(47,200)
2026	(12,300)
Totals	\$ (173,746)

**Actuarial Assumptions**

The total OPEB liability at June 30, 2022, is based upon the June 30, 2022, actuarial valuation, using the entry age normal, as a level percentage of pay, actuarial cost method. Significant actuarial assumptions used in the actuarial valuations are the following:

Price Inflation	2.2%
Salary Increases	Varies based on age: 0.3% to 6.0% (including inflation) for academic and administrative; 0.2% to 3.1% (including inflation) for clerical and service
Investment Rate of Return	3.54%
Pre-65 Medical and HSP Plans Trend Rate	7.5% decreasing by 0.25% per year until an ultimate trend of 4.5% is reached.
Pre-65 Rx trend rate	8.5% decreasing by 0.25% per year until an ultimate trend of 4.5% is reached.
Post-65 Medicare Base and Rx Trend Rate	3.0%, then 6.0% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached
Post-65 Medicare Buyup and Rx trend rate	3.0%, then 6.0% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached.
Dental trend rates	2.00%

The University's actuarial assumptions used in the June 30, 2022, valuation involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Benefit projections for financial reporting purposes are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and the historical pattern of cost sharing between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. For healthy retiree mortality rates, the Pub-2010 Teacher Employee and Healthy Annuitant Headcount-Weighted Mortality Tables, weighted 95% for males and 103% for females, with generational projection using Scale MP-2020 was used for academic and administrative members. The Pub-2010 General Employee and Healthy Annuitant Headcount-Weighted Mortality Tables, weighted 124% for males and 112% for females, with generational projection using Scale MP-2020 was used for clerical and service members. For disabled retiree mortality rates, the Pub-2010 Non-Safety Disabled Annuitant Headcount-Weighted Mortality Table, weighted 95% for males and females, with generational projection using Scale MP-2020 was used.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 8 - Other Postemployment Benefits (cont.)**

**Discount Rate**

The discount rate used to measure the total OPEB liability was 3.54% for the year ended June 30, 2022. The projection of cash flows used to determine the discount rate assumed that the University would not make additional contributions to the OPEB Trust and would continue to fund the plan on a pay-as-you-go basis. Based on those assumptions, the OPEB Plan's fiduciary net position was not projected to cover a full year of projected future benefit payments. Therefore, all future benefit payments are discounted at the current index rate for 20 year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

Regarding the sensitivity of the net OPEB liability for the University, to changes in the single discount rate, the following presents the University's liability, calculated using a single discount rate, as well as, what the plan's liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	2.54%	3.54%	4.54%
Net OPEB Liability	\$186,474	\$159,780	\$137,690

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

Regarding the sensitivity of the net OPEB liability for the University, to changes in healthcare cost trend rates, the following presents the University's liability, calculated using healthcare cost trend rates, as well as, what the plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
Net OPEB Liability	\$148,562	\$159,780	\$172,896

Detailed information concerning the Plan is presented in the University's 2022 financial report, which is publicly available. Copies of this report may be requested from:

University of Missouri System  
118 University Hall  
Columbia, Missouri 65211  
[www.umsystem.edu](http://www.umsystem.edu)

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 9 - Deferred Compensation**

**Missouri State Public Employees' Deferred Compensation Plan:**

In accordance with Internal Revenue Code Section 457, the State offers all employees the opportunity to participate in the Missouri State Public Employees' Deferred Compensation Plan. Under the Plan, employees are permitted to defer a portion of their current salary until future years.

All amounts of compensation deferred under the Plan must be held in a trust, custodial account, or annuity contract for the exclusive benefit of Plan participants and their beneficiaries. Investments are managed by the Plan's trustee under one of several investment options, or a combination thereof. The choice between the investment option(s) available by the Plan is made by the participants.

Copies of the Plan's financial statements may be requested from:

Plan Administrator  
c/o MOSERS  
P.O. Box 209  
907 Wildwood Drive  
Jefferson City, Missouri 65102-0209

**Missouri State Public Employees' Deferred Compensation Plan:**

The Plan was established by the Missouri State Public Employees' Deferred Compensation Commission in July 1995 pursuant to Section 401(a) of the Internal Revenue Code.

Under the Plan provisions, any employee of the State is eligible to participate in the Plan if he/she has been an employee of the State for at least 12 consecutive months preceding any employer contributions to the Plan, and is making continuous monthly deferrals of at least \$25 to the Missouri State Public Employees' Deferred Compensation Plan. As of March 2010, employer incentive (match) associated with the State of Missouri Deferred Compensation Plan was suspended. Participating employees are 100% vested.

The first employer contributions to the Plan were made in January 1996. The Plan receives contributions from employers as well as rollovers from other qualified plans. During fiscal year 2022, net rollovers and contributions to ICMA-RC were \$1,392,000.

Copies of the Plan's financial statements may be requested from:

Plan Administrator  
c/o MOSERS  
P.O. Box 209  
907 Wildwood Drive  
Jefferson City, Missouri 65102-0209

**STATE OF MISSOURI**  
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**June 30, 2022**

**Note 10 - Changes in Long-Term Liabilities**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022 (in thousands of dollars):

	*Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
<b>Governmental Activities:</b>					
Due to Other Entities	\$ 812	\$ 8,859	\$ (2,636)	\$ 7,035	\$ 3,834
General Obligation Bonds Payable	28,650	—	(16,560)	12,090	12,090
Other Bonds Payable	2,164,800	88,955	(303,520)	1,950,235	297,430
Unamortized Bond Premium/Discount	117,353	11,439	(34,235)	94,557	—
Obligations under Financed Purchase	41,198	6,863	(16,644)	31,417	8,473
Lease Liability	100,161	19,267	(15,815)	103,613	18,042
Pollution Remediation	48,134	4,074	(1,947)	50,261	2,799
Asset Retirement Obligations	1,799	13	—	1,812	—
Compensated Absences	195,236	246,654	(244,410)	197,480	175,151
Claims/Judgment Liability	157,262	754,213	(682,343)	229,132	160,804
Contingent Liabilities	41,742	39,818	(11,537)	70,023	42,780
2 <sup>nd</sup> Injury Fund Contingent Liabilities	2,243,668	140,945	(68,771)	2,315,842	68,772
Net Other Postemployment Benefit Obligation	3,263,393	196,798	(294,218)	3,165,973	—
Net Pension Liability	7,446,633	1,951,953	(2,971,110)	6,427,476	—
Total Governmental-Type Activities	<u>\$ 15,850,841</u>	<u>\$ 3,469,851</u>	<u>\$ (4,663,746)</u>	<u>\$ 14,656,946</u>	<u>\$ 790,175</u>
<b>Business-Type Activities:</b>					
Other Bonds Payable	\$ —	\$ 60,885	\$ (3,310)	\$ 57,575	2,605
Unamortized Bond Premium/Discount	—	(109)	4	(105)	—
Lease Liability	1,965	419	(510)	1,874	547
Claims/Judgment Liability	87,213	10,388	(8,385)	89,216	11,000
Grand Prize Winner Liability	133,676	86,030	(102,048)	117,658	89,047
Asset Retirement Obligations	2	—	—	2	—
Compensated Absences	1,319	1,285	(1,178)	1,426	1,394
Net Other Postemployment Benefit Obligation	11,613	781	(1,287)	11,107	—
Net Pension Liability	36,111	9,291	(14,142)	31,260	—
Total Business-Type Activities	<u>\$ 271,899</u>	<u>\$ 168,970</u>	<u>\$ (130,856)</u>	<u>\$ 310,013</u>	<u>\$ 104,593</u>

\*Beginning balances as of July 1, 2021, have been restated (see Note 17).

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 11 - Debt**

**Bonds:**

All of the State's Bonds are long-term liabilities and are reconciling items from governmental fund financial statements to government-wide financial statements, with the exception of Board of Public Buildings, Series A 2021. On the Government-Wide Statement of Net Position, the long-term liabilities are shown as the amounts due within one year from the date of the statement and the amounts due in more than one year from the date of the statement. Board of Public Buildings, Series A 2021, is paid with enterprise funds and is reported as a long-term obligation in the Proprietary Funds *Statement of Net Position*.

**General Obligation Bonds:**

The Board of Fund Commissioners of the State of Missouri, upon voter approval and subsequent authorization of the General Assembly, issues general obligation bonds that are secured by a pledge of the full faith, credit, and resources of the State. The principal and interest amounts are transferred one year in advance from the General Fund or other funds to the debt service funds from which principal and interest payments are made. Three types of general obligation bonds are currently outstanding. Proceeds from the Water Pollution Control Bonds were used to provide funds for the protection of the environment through the control of water pollution. Proceeds from the Fourth State Building Bonds were used to provide funds for improvements of buildings and property of higher education institutions, Department of Corrections, and the Division of Youth Services. Proceeds from the Stormwater Control Bonds were used to provide funds to protect the environment through the control of stormwater.

To take advantage of lower interest rates, the Board of Fund Commissioners has issued bonds to refund various outstanding bond issues. The following indicates the outstanding refunding bonds issued by the Board (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Water Pollution Control Bonds:				
Series A 2010-Refunding	7/27/10	\$ 81,450	A 2001	\$ 15,030
			A 2002	20,225
			B 2002-Refunding	12,990
			A 2005-Refunding	8,595
			A 2007	31,385
Fourth State Building Bonds:				
Series A 2010-Refunding	7/27/10	9,060	A 2002-Refunding	8,970
			A 2005-Refunding	1,470
Stormwater Control Bonds:				
Series A 2010-Refunding	7/27/10	15,150	A 2001	7,320
			A 2002	8,475
			A 2005-Refunding	905

The additional principal amount of the refunding bonds does not decrease the amount of the authorization.

As of June 30, 2022, \$594,494,240 of the Water Pollution Control Bonds; \$250,000,000 of the Fourth State Building Bonds; and \$45,000,000 of the Stormwater Control Bonds have been issued. The remaining authorization for the Water Pollution Control Bonds is \$130,505,760 and for Stormwater Control Bonds is \$155,000,000. There is no remaining authorization for the Fourth State Buildings Bonds.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 11 - Debt (cont.)**

General obligation bonds issued and outstanding as of June 30, 2022, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Water Pollution Control Bonds:						
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	\$ 81,450	\$ 9,320
Fourth State Building Bonds:						
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	9,060	1,035
Stormwater Control Bonds:						
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	15,150	1,735
Total General Obligation Bonds					<u>\$ 105,660</u>	<u>12,090</u>
Less: Amount in Sinking Fund for payment of Principal						(11,851)
						<u>\$ 239</u>

As of June 30, 2022, general obligation debt service requirements for principal and interest in future years were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2023	\$ 12,090	\$ 302	\$ 12,392
Totals	<u>\$ 12,090</u>	<u>\$ 302</u>	<u>\$ 12,392</u>

**Other Bonds:**

The Board of Public Buildings of the State of Missouri, upon the approval of the General Assembly, issues revenue bonds for building projects and commits state agencies to lease space in these buildings. The General Assembly appropriates to the Board, on behalf of the state agencies, amounts sufficient to pay the principal and interest on the bonds, maintain certain required reserves, and to pay the costs of operations. The total amount authorized for the Board equals \$1,545,000,000.

To take advantage of lower interest rates, the Board of Public Buildings has issued bonds to refund various outstanding bond issues. The following indicates the outstanding refunding bonds issued by the Board (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Board of Public Buildings:				
Series A 2011-Refunding	09/27/11	\$ 143,020	A 2001	\$ 126,850
			A 2003	12,620
			A 2006	3,175
Series A 2014-Refunding	08/19/14	88,680	A 2006	87,225
Series A 2015-Refunding	04/01/15	20,250	A 2011-Refunding	21,380
Series A 2020-Refunding	03/26/20	38,920	A 2011-Refunding	40,350
Series B 2020-Refunding	08/25/20	172,850	A 2012-Refunding	185,850
			A 2013-Refunding	19,635

The additional principal amount of the refunding bonds does not decrease the amount of the authorization.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 11 - Debt (cont.)**

As of June 30, 2022, the Board of Public Buildings Bonds had issued \$1,253,800,000 of the bond authorization. The remaining authorization is \$291,200,000.

The Board of Public Buildings Bonds issued and outstanding as of June 30, 2022, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Board of Public Buildings:						
Series A 2011-Refunding	1.0 - 5.0%	4/1; 10/1	9/11	10/1/28	\$ 143,020	\$ 25,080
Series A 2014-Refunding	1.0 - 5.0%	4/1; 10/1	8/14	10/1/30	88,680	59,690
Series A 2015-Refunding	5.0%	4/1; 10/1	4/15	10/1/24	20,250	20,250
Series A 2015	3.0 - 5.0%	4/1; 10/1	4/15	10/1/39	36,805	30,010
Series B 2015	3.0 - 5.0%	4/1; 10/1	9/15	4/1/30	60,000	34,185
Series A 2016	3.0 - 4.0%	4/1; 10/1	5/16	4/1/36	100,000	62,525
Series A 2017	2.0 - 5.0%	4/1; 10/1	9/17	4/1/32	77,165	55,690
Series A 2018	3.0 - 5.0%	4/1; 10/1	5/18	4/1/38	47,740	37,395
Series A 2020-Refunding	3.0 - 3.25%	4/1; 10/1	3/20	10/1/25	38,920	20,465
Series B 2020-Refunding	4.0 - 5.0%	4/1; 10/1	8/20	10/1/28	172,850	155,380
Series A 2021	0.3 - 2.75%	4/1; 10/1	10/21	4/1/41	60,885	57,575
Total Board of Public Buildings Bonds					<u>\$ 846,315</u>	<u>\$ 558,245</u>

As of June 30, 2022, the debt service requirements for principal and interest in future years for the Board of Public Buildings Bonds in governmental funds were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2023	\$ 54,785	\$ 18,865	\$ 73,650
2024	57,045	16,277	73,322
2025	59,815	13,515	73,330
2026	61,555	10,783	72,338
2027	59,265	8,341	67,606
2028-2032	171,455	16,461	187,916
2033-2037	28,340	3,926	32,266
2038-2041	8,410	408	8,818
Totals	<u>\$ 500,670</u>	<u>\$ 88,576</u>	<u>\$ 589,246</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 11 - Debt (cont.)**

As of June 30, 2022, the debt service requirements for principal and interest in future years for the Board of Public Buildings Bonds in enterprise funds were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2023	\$ 2,605	\$ 1,198	\$ 3,803
2024	2,620	1,186	3,806
2025	2,640	1,166	3,806
2026	2,670	1,136	3,806
2027	2,705	1,100	3,805
2028-2032	14,245	4,772	19,017
2033-2037	15,850	3,165	19,015
2038-2041	14,240	978	15,218
Totals	<u>\$ 57,575</u>	<u>\$ 14,701</u>	<u>\$ 72,276</u>

The Missouri Development Finance Board (MDFB) issued \$92,660,000 of Series 2014 Bonds dated December 10, 2014 and \$97,225,000 of Series 2016 Bonds dated December 15, 2016, to fund the replacement of the Fulton State Hospital. These bonds are special, limited obligations of the Board and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount for principal and interest each year.

The MDFB – Fulton State Hospital Project Bonds issued and outstanding as of June 30, 2022, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Fulton State Hospital Project Bonds:						
Series 2014	2.125 - 5.0%	4/1; 10/1	12/14	10/1/39	\$ 92,660	\$ 74,635
Series 2016	4.0 - 5.0%	4/1; 10/1	12/16	10/1/39	97,225	83,890
Total Fulton State Hospital Bonds					<u>\$ 189,885</u>	<u>\$ 158,525</u>



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 11 - Debt (cont.)**

As of June 30, 2022, the debt service requirements for principal and interest in future years for the Fulton State Hospital Project Bonds (based on the financing agreement between the State and the Board) were as follows (in thousands of dollars):

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2023	\$ 6,210	\$ 6,125	\$ 12,335
2024	6,475	5,855	12,330
2025	6,710	5,617	12,327
2026	6,965	5,355	12,320
2027	7,245	5,069	12,314
2028-2032	40,855	20,664	61,519
2033-2037	49,370	12,098	61,468
2038-2040	34,695	2,155	36,850
Totals	<u>\$ 158,525</u>	<u>\$ 62,938</u>	<u>\$ 221,463</u>

The Missouri Development Finance Board (MDFB) issued \$33,800,000 of Series A 2016 Bonds dated March 11, 2016, to fund the State Historical Society project. These bonds are special, limited obligations of the Board and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount for principal and interest each year.

The MDFB – State Historical Society Project Bonds issued and outstanding as of June 30, 2022, were as follows (in thousands of dollars):

	<u>Interest Rates</u>	<u>Payment Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Issued</u>	<u>Outstanding</u>
State Historical Society Project Bonds:						
Series A 2016	2.0 - 5.0%	4/1; 10/1	3/16	10/1/35	<u>\$ 33,800</u>	<u>\$ 25,870</u>

As of June 30, 2022, the debt service requirement of the State for principal and interest in future years for the State Historical Society Project were as follows (in thousands of dollars):

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2023	\$ 1,530	\$ 779	\$ 2,309
2024	1,555	748	2,303
2025	1,605	692	2,297
2026	1,665	627	2,292
2027	1,710	577	2,287
2028-2032	9,330	2,036	11,366
2033-2036	8,475	526	9,001
Totals	<u>\$ 25,870</u>	<u>\$ 5,985</u>	<u>\$ 31,855</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 11 - Debt (cont.)**

State Road Bonds:

The Missouri Highways and Transportation Commission authorized by Article IV, Section 29-34 of the Missouri Constitution and Section 226.133 of the State Highway Act, issues bonds for highway construction and repairs. Under the Missouri Constitution, the principal and interest of the State Road Bonds are payable solely from the revenues of the Missouri Road Fund. State Road Bonds have the following levels of priority: Senior Bonds, First Lien Bonds, Second Lien Bonds, and Third Lien Bonds. Proceeds from State Road Bonds are used for the purpose of constructing and maintaining the State's highways. As of June 30, 2022, the Missouri Highways and Transportation Commission had issued \$4,079,520,000. In addition, Senate Concurrent Resolution 14 authorized \$301,000,000 in Missouri Highways and Transportation Commission bonds to renovate bridges and other important transportation infrastructure. In fiscal year 2022, the Third Lien State Road Bonds, Series A 2021 were issued in the amount of \$88,955,000. The Third Lien State Road Bonds, Series B 2019 and the Third Lien State Road Bonds, Series A 2021 are payable from the General Revenue Fund.

To take advantage of lower interest rates, the Missouri Highways and Transportation Commission has issued Bonds to refund various outstanding bond issues. The following indicates the outstanding refunding bonds issued by the Commission (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Senior Lien State Road Bonds:				
Series C 2010-Refunding	11/10/10	\$ 130,390	A 2001	\$ 11,135
			A 2002	18,405
			A 2003	111,760
Series A 2014-Refunding	6/3/14	589,015	A 2006	149,150
			B 2006	503,330
Series B 2014-Refunding	6/3/14	311,975	2007	325,290
Series A 2019-Refunding	5/13/19	102,705	A 2008	68,605
			A 2009	42,695

The State Road Bonds issued and outstanding as of June 30, 2022, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Missouri Highways and Transportation Commission:						
State Road Bonds:						
Series B 2009	4.802 - 5.252%	5/1; 11/1	9/09	5/1/33	\$ 404,375	\$ 381,200
Series C 2009-Third Lien	4.313 - 5.213%	5/1; 11/1	11/09	5/1/29	300,000	176,865
Series B 2010	4.72 - 5.02%	5/1; 11/1	3/10	5/1/25	56,135	44,845
Series C 2010-Refunding	3.00 - 5.00%	2/1; 8/1	11/10	2/1/23	130,390	17,665
Series A 2014-Refunding	2.00 - 5.00%	5/1; 11/1	6/14	5/1/26	589,015	385,655
Series B 2014-Refunding	3.00 - 5.00%	5/1; 11/1	6/14	5/1/25	311,975	29,805
Series A 2019-Refunding	5.00 %	5/1; 11/1	5/19	5/1/25	102,705	33,105
Series B 2019	5.00 %	5/1; 11/1	12/19	11/1/26	178,370	107,075
Series A 2021	5.00 %	5/1; 11/1	12/21	11/1/26	88,955	88,955
Total Missouri Highways and Transportation Commission					<u>\$ 2,161,920</u>	<u>\$ 1,265,170</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 11 - Debt (cont.)**

As of June 30, 2022, debt service requirements for principal and interest in future years for the Missouri Highways and Transportation Commission were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2023	\$ 234,905	\$ 64,250	\$ 299,155
2024	211,415	52,541	263,956
2025	219,590	41,943	261,533
2026	205,800	30,882	236,682
2027	100,195	20,426	120,621
2028-2032	250,015	49,045	299,060
2033	43,250	2,355	45,605
Totals	<u>\$ 1,265,170</u>	<u>\$ 261,442</u>	<u>\$ 1,526,612</u>

**Component Units' Bonds and Direct Placements** - The following bonds are included in the balance sheet of the college and universities and the non-major component units.

Major

College and Universities:

The college and universities of the State issue revenue bonds for various projects on each respective campus. Bonds are payable, both principal and interest, only out of net income and revenues arising from operations of facilities funded by the bonds. As of June 30, 2022, debt service requirements for principal and interest for the college and universities were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Bonds from Direct Placements		Other Bonds		Totals
	Principal	Interest	Principal	Interest	
2023	\$ 16,256	\$ 3,461	\$ 33,825	\$ 86,570	\$ 140,112
2024	16,198	3,051	146,998	84,416	250,663
2025	10,732	2,696	62,221	81,527	157,176
2026	10,327	2,437	165,238	77,956	255,958
2027	10,538	2,183	68,142	74,245	155,108
2028-2032	50,895	7,271	587,067	308,203	953,436
2033-2037	26,578	2,072	244,540	213,753	486,943
2038-2042	3,580	146	364,565	145,715	514,006
2043-2047	—	—	161,405	57,881	219,286
2048-2052	—	—	103,760	41,574	145,334
2053-2057	—	—	150,000	15,889	165,889
Totals <sup>(1)</sup>	<u>\$ 145,104</u>	<u>\$ 23,317</u>	<u>\$ 2,087,761</u>	<u>\$ 1,187,729</u>	<u>\$ 3,443,911</u>

<sup>(1)</sup>The bond schedule does not include notes payable, therefore, it differs from the bonds and notes payable amount reported in the statements.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 11 - Debt (cont.)**

Non-Major

Missouri Development Finance Board:

In December 2000, the Board issued \$6,500,000 in St. Louis Convention Center Hotel Series 2000B, taxable infrastructure facilities revenue bonds and \$14,600,000 in St. Louis Convention Center Hotel Series 2000C, tax-exempt infrastructure facilities revenue bonds, respectively for the purpose of paying the costs of acquiring land and constructing a parking garage. These bonds were remarketing in June 2020 as \$4,590,000 2020B and \$4,730,000 2020C bonds, replacing 2000B and 2000C, respectively. Bonds are payable, both principal and interest, out of revenues derived from the operation of the parking garage.

In April 2010, the Board issued \$9,000,000 in Seventh Street Garage Series 2010, tax exempt infrastructure facilities revenue bonds.

The Missouri Development Finance Board Revenue Bonds issued and outstanding as of June 30, 2022, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Missouri Development Finance Board:						
Revenue Bonds						
Series 2010	Variable	monthly	4/10	10/1/33	\$ 9,000	\$ 3,758
Series 2020B/C	Variable	monthly	6/20	12/1/49	9,320	8,700
Total Missouri Development Finance Board Revenue Bonds					<u>\$ 18,320</u>	<u>\$ 12,458</u>

As of June 30, 2022, the debt service requirements for principal and interest in future years for the Missouri Development Finance Board Revenue Bonds were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2023	\$ 574	\$ 240	\$ 814
2024	585	227	812
2025	597	217	814
2026	609	235	844
2027	623	218	841
2028-2032	3,329	809	4,138
2033-2037	2,091	390	2,481
2038-2042	1,550	257	1,807
2043-2047	1,550	141	1,691
2048-2050	950	29	979
Totals <sup>(1)</sup>	<u>\$ 12,458</u>	<u>\$ 2,763</u>	<u>\$ 15,221</u>

<sup>(1)</sup>The bond schedule does not include notes payable, therefore, it differs from the bonds and notes payable amount reported in the statements.

The annual debt service schedule assumes an interest rate of 1.506%, representing the interest rate at June 30, 2022, for the Series 2020B and Series 2020C bonds. The annual debt service also assumes an interest rate of 4.25%, representing the interest rate as of June 30, 2022, for the Seventh Street Garage Series 2010 bonds. As of June 28, 2012 through April 30, 2015, the Board entered into an interest deferral agreement whereby the bond interest rate for the Seventh Street Garage Series 2010 bonds is the lesser of the modified pay rate or 4.25% annually.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 11 - Debt (cont.)**

**Bond Transactions of the State of Missouri** - The following schedule is a summary of bond activity for the fiscal year ended June 30, 2022 (in thousands of dollars):

	Governmental Funds		Enterprise Funds	Component Units		
	General Obligation Bonds	Other Bonds	Other Bonds	Bonds from Direct Placements	Other Revenue Bonds	Totals
Bonds Payable at July 1, 2021	\$ 28,650	\$2,164,800	\$ —	\$ —	\$ —	\$2,193,450
Bond Issuance	—	88,955	60,885	—	—	149,840
Bonds Retired	(16,560)	(303,520)	(3,310)	—	—	(323,390)
Subtotal	12,090	1,950,235	57,575	—	—	2,019,900
College and Universities <sup>(1)</sup>	—	—	—	145,104	2,087,761	2,232,865
MO Development Finance Board	—	—	—	—	12,458	12,458
Bonds Payable at June 30, 2022	<u>\$ 12,090</u>	<u>\$1,950,235</u>	<u>\$ 57,575</u>	<u>\$ 145,104</u>	<u>\$2,100,219</u>	<u>\$4,265,223</u>

<sup>(1)</sup> Detailed information for college and universities are not shown.

**Financed Purchases from Direct Borrowings:**

The State has entered into various agreements for financed purchases from direct borrowings for buildings, equipment, and software. Through contracts with Central Bank, the State has a \$7.0 million obligation outstanding as of June 30, 2022, for governmental activities. These financed purchases are secured with collateral of capital assets in the amount of \$14.1 million. In the event of default, the lease shall be terminated and the resulting property returned to the lessor. If the termination is the result of non-appropriation, the State shall deliver the property to the lessor within 10 business days after the termination of the lease schedule. If the property is not delivered within 10 business days, then the State shall also be responsible for the payment of damages in an amount equal to the amount of the lease payments that would have thereafter come due on the lease schedule had it not been terminated. The State had an unused line of credit in the amount of \$ 5.5 million at the end of fiscal year 2022.

The State has entered into an agreement for financed purchases from direct borrowings for energy star equipment through a contract with Bank of America. These purchases are secured with capital assets as collateral with a value of \$15.9 million. The State has a \$0.8 million obligation outstanding as of June 30, 2022, for governmental activities. In the event of default, the lease shall be terminated and the resulting property returned to the lessor. If the termination is the result of non-appropriation, the State shall deliver the property to the lessor within 10 business days after the termination of the lease schedule. If the property is not delivered within 10 business days, then the State shall also be responsible for the payment of damages in an amount equal to the amount of the lease payments that would have thereafter come due on the lease schedule had it not been terminated. The State had no available line of credit at the end of fiscal year 2022.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 11 - Debt (cont.)**

Through a contract with IBM, the State has \$4.6 million of financed purchases from direct borrowings outstanding as of June 30, 2022, for governmental activities. These financed purchases are secured with capital assets in the amount of \$14.8 million. The State of Missouri can terminate the agreement with written notice prior to 90 days of each starting anniversary. Upon termination, the State will pay to IBM all amounts due and payable including cross-band allotment offerings, termination and/or financing prepayments and applicable taxes on or before the termination. The State of Missouri may elect to cancel the fixed term license program under the agreement by giving IBM 30 day's written notice and may receive a prorated credit for a prepaid term. The prorated credit may be used to purchase IBM programs prior to the end date or termination of the remaining agreement. The credits are not transferable, cannot be converted to cash, and upon expiration eligible credit will be forfeited. The State had no available line of credit at the end of fiscal year 2022.

The State has entered into an agreement for financed purchases from direct borrowings for Leasehold Revenue Bonds through a contract with Missouri Development Finance Board. The State's obligation under the purchase does not constitute a general obligation or other indebtedness of the State. Ownership transfers to the State at the end of the term. The State has a \$19.0 million obligation outstanding as of June 30, 2022. The payments under the agreement have been structured in the amounts sufficient to pay principal and interest on the Leasehold Revenue Bonds issued by the Board. In November 2005, the Board issued \$28,995,000 of the Leasehold Revenue Bonds Series 2005 for the purpose of purchasing buildings in Florissant, St. Louis, and Jennings. In May 2006, the Board issued \$9,865,000 of Leasehold Revenue Bonds Series for the purpose of purchasing one building in St. Louis. In June 2013, the Board issued \$21,820,000 of Leasehold Refunding Bond Series A 2013 and \$7,450,000 of Leasehold Revenue Refunding Bonds Series B 2013 for the purpose of refunding \$20,805,000 of Leasehold Revenue Bonds Series 2005 and \$7,100,000 of Leasehold Revenue Bonds Series 2006, respectively. The payments are subject to annual appropriation by the State legislature. The State had no available line of credit at the end of fiscal year 2022.

As of June 30, 2022, debt service requirements for principal and interest in future years for direct borrowings were as follows (in thousands of dollars):

Fiscal Year Ending	Financed Purchases from Direct Borrowings					
	Governmental Funds		Internal Service Funds		College and Universities	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 2,948	\$ 56	\$ 5,525	\$ 599	\$ 10,552	\$ 1,219
2024	1,498	28	3,520	512	10,515	1,298
2025	882	13	2,777	440	10,632	1,399
2026	755	5	2,316	373	9,764	1,126
2027	—	—	2,136	307	8,776	902
2028-2032	—	—	9,060	563	22,461	1,865
2033-2037	—	—	—	—	4,782	534
Total	<u>\$ 6,083</u>	<u>\$ 102</u>	<u>\$ 25,334</u>	<u>\$ 2,794</u>	<u>\$ 77,482</u>	<u>\$ 8,343</u>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 12 - Defeased Debt**

**A. Current Year Debt Defeasance**

On July 6, 2021, the Missouri State University issued the Missouri Health and Educational Facilities Revenue Bonds, Series 2021B, in the amount of \$17,710,000, with an interest rate of 2.69%, to refund \$17,940,000 of the Series 2014A Missouri Health and Educational Facilities Revenue Bonds. As a result of the refunding, the University reduced its total debt service payments by \$56,000 to obtain an economic gain (difference between present values of the old and the new debt service payments) of \$1,015,000.

**B. Cumulative Debt Defeasances**

Various bond issues have been defeased by the advance refunding of bonds. Irrevocable escrow accounts, containing proceeds of the refunding bond issues in the form of cash and U.S. government securities, are used to pay principal, interest, or redemption prices of the defeased bonds as and when due.

For financial reporting purposes, the following debt has been defeased and therefore removed as a liability from the governmental activities and college and universities Statement of Net Position.

College and Universities - As of June 30, 2022, bonds outstanding of \$28,575,000 are defeased.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 13 - Payables and Receivables**

A summary of accounts payable and accounts receivable at June 30, 2022, is shown below (in thousands of dollars):

	Governmental Activities	Business-Type Activities	Balance June 30, 2022
Accounts Payable:			
Taxpayers	\$ 373,122	\$ 428	\$ 373,550
Other Governments	254,107	7	254,114
Vendors	1,264,541	54,957	1,319,498
Employees	130,108	696	130,804
Other	87,450	304	87,754
Total Accounts Payable	<u>\$ 2,109,328</u>	<u>\$ 56,392</u>	<u>\$ 2,165,720</u>
Accounts Receivable with expected date of receipt within one year:			
Taxpayers	\$ 1,634,111	\$ 1,930	\$ 1,636,041
Other Governments	1,154,686	37	1,154,723
Vendors	202,506	—	202,506
Customers	261,677	190,584	452,261
Interest Receivable	28,112	344	28,456
Loans Receivable	1,510,752	64	1,510,816
Other	21,593	—	21,593
Lease Receivables with date of receipt within one year:			
Land	455	18	473
Building	327	—	327
	<u>4,814,219</u>	<u>192,977</u>	<u>5,007,196</u>
Accounts Receivable with expected date of receipt greater than one year:			
Taxpayers	2,011,271	—	2,011,271
Other Governments	101	—	101
Vendors	19,418	—	19,418
Customers	153,010	—	153,010
Other	25,160	—	25,160
Lease Receivables with date of receipt greater than one year:			
Land	597	395	992
Building	718	—	718
	<u>2,210,275</u>	<u>395</u>	<u>2,210,670</u>
Total Receivables	7,024,494	193,372	7,217,866
Amounts not expected to be collected	(752,178)	—	(752,178)
Receivables, net	<u>\$ 6,272,316</u>	<u>\$ 193,372</u>	<u>\$ 6,465,688</u>

Governmental activities lease receivables are held primarily by Missouri Road fund and business-type activities lease receivables are held by State Parks.

For the fiscal year ended June 30, 2022, the statement of activities includes lease revenues and interest of \$719,000 and \$60,000, respectively for governmental activities and \$18,000 and \$14,000 for business-type activities. There was no additional revenue for variable and other payments not included in the measurement of the lease receivable.



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 14 - Deferred Inflows and Outflows**

Deferred outflows of resources are defined as consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows increase net position, similar to assets and deferred inflows decrease net position, similar to liabilities.

The components of deferred outflows of resources and deferred inflows of resources reported in the government-wide financial statements as of June 30, 2022, are as follows (in thousands):

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Deferred Outflows of Resources</b>				
Pension Differences Between Expected and Actual Experience	\$ 76,517	\$ 595	\$ 77,112	\$ 136,207
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	32,525	261	32,786	6,246
Pension Changes in Assumptions	514,684	2,612	517,296	264,574
Pension Contributions Subsequent to the Measurement Date	640,909	3,122	644,031	74,722
OPEB Differences Between Expected and Actual Experience	67,591	534	68,125	14,727
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	700	6	706	—
OPEB Changes in Assumptions	187,763	—	187,763	2,728
OPEB Contributions Subsequent to the Measurement Date	93,967	567	94,534	27
Asset Retirement Obligation Amortization	770	—	770	49,946
Deferred for Refunding Bonds	11,116	—	11,116	17,508
Cash Flow Hedge	—	—	—	7,616
<b>Total Deferred Outflows of Resources</b>	<b>\$ 1,626,542</b>	<b>\$ 7,697</b>	<b>\$ 1,634,239</b>	<b>\$ 574,301</b>
<b>Deferred Inflows of Resources</b>				
Pension Differences Between Expected and Actual Experience	\$ 56,880	\$ 165	\$ 57,045	\$ 10,565
Pension Changes in Assumptions	3,738	—	3,738	—
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	1,189,207	6,733	1,195,940	182,938
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	129	—	129	38,904
OPEB Differences Between Expected and Actual Experience	92,500	133	92,633	17,047
OPEB Changes in Assumptions	328,565	1,646	330,211	177,551
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	5,058	41	5,099	749
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	—	—	140
Leases	2,083	407	2,490	30,945
Deferred for Refunding Bonds	1,794	—	1,794	—
Charitable Annuities	—	—	—	13,093
<b>Total Deferred Inflows of Resources</b>	<b>\$ 1,679,954</b>	<b>\$ 9,125</b>	<b>\$ 1,689,079</b>	<b>\$ 471,932</b>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 14 - Deferred Inflows and Outflows (cont.)**

Deferred inflows and outflows of resources balances are as follows (in thousands):

Deferred inflows of resources on the governmental funds balance sheet as of June 30, 2022, include unavailable revenues and deferred inflows in relation to leases. Unavailable revenues are those for which asset recognition criteria has not been met for governmental funds, which uses the modified accrual basis of accounting (in thousands):

<b>Governmental Funds</b>	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Governmental Funds	Total
<b>Deferred Inflows of Resources</b>						
Leases	\$ —	\$ —	\$ —	\$ 1,062	\$ —	\$ 1,062
Unavailable Revenue	1,973,147	31,283	26,959	11,783	9,518	2,052,690
<b>Total Deferred Inflows of Resources</b>	<b>\$ 1,973,147</b>	<b>\$ 31,283</b>	<b>\$ 26,959</b>	<b>\$ 12,845</b>	<b>\$ 9,518</b>	<b>\$ 2,053,752</b>

<b>Proprietary</b>	State Lottery	Non-Major Funds	Total Enterprise Funds	Governmental Activities – Internal Service Funds
<b>Deferred Outflows of Resources</b>				
Pension Differences Between Expected and Actual Experience	\$ 315	\$ 280	\$ 595	\$ 2,260
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	138	123	261	934
Pension Changes in Assumptions	1,382	1,230	2,612	9,912
Pension Contributions Subsequent to the Measurement Date	1,720	1,402	3,122	11,762
OPEB Differences Between Expected and Actual Experience	288	246	534	1,935
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	3	3	6	20
OPEB Contributions Subsequent to the Measurement Date	315	252	567	2,008
<b>Total Deferred Outflows of Resources</b>	<b>\$ 4,161</b>	<b>\$ 3,536</b>	<b>\$ 7,697</b>	<b>\$ 28,831</b>
<b>Deferred Inflows of Resources</b>				
Pension Differences Between Expected and Actual Experience	\$ 87	\$ 78	\$ 165	\$ 627
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	3,562	3,171	6,733	25,554
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	—	—	—	129
OPEB Differences Between Expected and Actual Experience	72	61	133	484
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	22	19	41	145
OPEB Changes in Assumptions	888	758	1,646	5,959
Leases	—	407	407	1,021
<b>Total Deferred Inflows of Resources</b>	<b>\$ 4,631</b>	<b>\$ 4,494</b>	<b>\$ 9,125</b>	<b>\$ 33,919</b>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 14 - Deferred Inflows and Outflows (cont.)**

<b><u>Fiduciary</u></b>	Pension (And Other Employee Benefit) Trust Funds	Private- Purpose Trust Funds
<b>Deferred Outflows of Resources</b>		
Pension Differences Between Expected and Actual Experience	\$ —	\$ 26
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	—	11
Pension Changes in Assumptions	—	113
Pension Contributions Subsequent to the Measurement Date	—	134
OPEB Differences Between Expected and Actual Experience	517	24
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	229	—
Changes in Assumptions- OPEB	265	—
OPEB Contributions Subsequent to the Measurement Date	351	25
<b>Total Deferred Outflows of Resources</b>	<b>\$ 1,362</b>	<b>\$ 333</b>
<b>Deferred Inflows of Resources</b>		
Pension Differences Between Expected and Actual Experience	\$ —	\$ 7
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	—	292
OPEB Differences Between Expected and Actual Experience	88	6
OPEB Changes in Assumptions	1,001	73
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	20	2
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	347	—
<b>Total Deferred Inflows of Resources</b>	<b>\$ 1,456</b>	<b>\$ 380</b>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 14 - Deferred Inflows and Outflows (cont.)**

<b>Component Units</b>	<b>College and Universities</b>	<b>Non-Major</b>
<b>Deferred Outflows of Resources</b>		
Pension Differences Between Expected and Actual Experience	\$ 136,155	\$ 52
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	—	—
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	6,106	140
Pension Changes in Assumptions	264,344	230
Pension Contributions Subsequent to the Measurement Date	74,461	261
OPEB Differences Between Expected and Actual Experience	14,697	30
OPEB Net Differences Between Projected and Actual Earnings on Pension Plan Investments	—	—
OPEB Changes in Assumptions	2,660	—
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	68
OPEB Contributions Subsequent to the Measurement Date	—	27
Asset Retirement Obligation Amortization	49,946	—
Deferred for Refunding Bonds	17,508	—
Cash Flow Hedge	7,616	—
<b>Total Deferred Outflows of Resources</b>	<b>\$ 573,493</b>	<b>\$ 808</b>
<b>Deferred Inflows of Resources</b>		
Pension Differences Between Expected and Actual Experience	\$ 10,550	\$ 15
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	182,346	592
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	38,710	194
OPEB Differences Between Expected and Actual Experience	17,039	8
OPEB Net Differences Between Projected and Actual Earnings on Pension Plan Investments	747	2
OPEB Changes in Assumptions	177,457	94
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	140
Leases	23,650	7,295
Charitable Annuities	13,093	—
<b>Total Deferred Inflows of Resources</b>	<b>\$ 463,592</b>	<b>\$ 8,340</b>

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 15 - Interfund Assets and Liabilities**

A summary of interfund assets and liabilities at June 30, 2022, is shown below (in thousands of dollars):

	<b>Due From Other Funds, Component Units, and Primary Government</b>			
	Public Education	Non-Major Governmental Funds	Non-Major Enterprise Funds	Internal Service Funds
<b>Due to Other Funds, Component Units, and Primary Government</b>				
General Fund	\$ —	\$ —	\$ 41	\$ 5,126
Conservation and Environmental Protection	—	—	180	90
Missouri Road Fund	—	—	1	355
Non-Major Governmental Funds	—	—	—	984
State Lottery	43,490	—	—	53
Unemployment Compensation	—	777	—	—
Non-Major Enterprise Funds	—	—	—	17
Internal Service Funds	—	—	1	295
Non-Major Component Units	—	—	—	1
<b>Totals</b>	<b>\$ 43,490</b>	<b>\$ 777</b>	<b>\$ 223</b>	<b>\$ 6,921</b>

**Continues Below**

	Pension (and OPEB) Trust Funds	Totals
<b>Due to Other Funds, Component Units, and Primary Government</b>		
General Fund	\$ —	\$ 5,167
Conservation and Environmental Protection	—	270
Missouri Road Fund	—	356
Non-Major Governmental Funds	—	984
State Lottery	—	43,543
Unemployment Compensation	—	777
Non-Major Enterprise Funds	—	17
Internal Service Funds	8,859	9,155
Non-Major Component Units	—	1
<b>Totals</b>	<b>\$ 8,859</b>	<b>\$ 60,270</b>

During the consolidation process for the Government-Wide Statement of Net Position, interfund payables and receivables were eliminated for governmental activities in the amount of \$6,850,000.

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**Note 16 - Interfund Transfers**

All transfers must be legally authorized by the legislature through transfer appropriations. Interfund transfers for the fiscal year ended June 30, 2022, were as follows (in thousands of dollars):

		<b>Transfers In:</b>				
		General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Governmental Funds
<b>Transfers Out:</b>						
General Fund	\$	—	\$ 1,007,250	\$ 2,179	\$ 45,251	\$ 254,874
Public Education		29,335	—	—	—	—
Conservation and Environmental Protection		758	—	—	—	1,094
Non-Major Governmental Funds		13,487	5,000	—	502,149	5,500
State Lottery		—	384,985	—	—	—
Unemployment Compensation		1,701	—	—	—	8,231
Non-Major Enterprise Funds		37	—	—	—	629
Internal Service Funds		2,845	—	—	—	47
Totals	\$	48,163	\$ 1,397,235	\$ 2,179	\$ 547,400	\$ 270,375

		Unemployment Compensation	Non-Major Enterprise Funds	Internal Service Funds	Totals
<b>Transfers Out:</b>					
General Fund	\$	8,119	\$ 977	\$ —	\$ 1,318,650
Public Education		—	—	—	29,335
Conservation and Environmental Protection		—	—	—	1,852
Non-Major Governmental Funds		—	—	18	526,154
State Lottery		—	—	—	384,985
Unemployment Compensation		—	—	—	9,932
Non-Major Enterprise Funds		—	—	—	666
Internal Service Funds		—	—	10	2,902
Totals	\$	8,119	\$ 977	\$ 28	\$ 2,274,476

Principal reasons for interfund transfers include:

- moving general revenue funds to support elementary and secondary education
- moving state lottery funds to support elementary and secondary education
- moving general revenue funds to support social assistance programs reported in non-major governmental funds
- moving funds related to the construction of capital assets

**STATE OF MISSOURI**  
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**June 30, 2022**

**Note 17 - Restatements**

During fiscal year 2022, additional information became available which required fund equity amounts. The following table presents a summary of these restatements by fund (in thousands of dollars):

	June 30, 2021 Fund Balance/Net Position Previously Reported	Prior Period Adjustments	June 30, 2021 Fund Balance/Net Position Restated
<b>GOVERNMENTAL FUNDS</b>			
<b>Major Governmental Funds</b>			
General Fund	\$ 4,697,938	\$ (639)	\$ 4,697,299
Conservation and Environmental Protection	2,367,381	(2,338)	2,365,043
Missouri Road Fund	1,226,303	(27,986)	1,198,317
<b>Non-Major Governmental Funds</b>			
Special Revenue	1,107,759	26,855	1,134,614
<b>Total Governmental Funds</b>	<b>\$ 9,399,381</b>	<b>\$ (4,108)</b>	<b>\$ 9,395,273</b>
<b>PROPRIETARY FUNDS</b>			
<b>Major Proprietary Funds</b>			
Missouri Veterans' Homes	(141,785)	141,785	—
<b>Non-Major Proprietary Funds</b>			
Enterprise	87,377	(118)	87,259
Internal Service	427,097	(1,231)	425,866
<b>Total Proprietary Funds</b>	<b>\$ 372,689</b>	<b>\$ 140,436</b>	<b>\$ 513,125</b>
<b>DISCRETELY PRESENTED COMPONENT UNITS</b>			
College and Universities	\$ 7,457,096	\$ (11,589)	\$ 7,445,507
Non-Major	238,994	636	239,630
<b>Total Component Units</b>	<b>\$ 7,696,090</b>	<b>\$ (10,953)</b>	<b>\$ 7,685,137</b>

**Breakdown of restatements by type:**

- General Fund, the restatement is due to a decrease of cash and cash equivalents of \$622,000 and a decrease of accounts receivable of \$17,000.
- Conservation and Environmental Protection, the restatement is due to a decrease in accounts receivable of \$97,000 and a decrease of loans receivable of \$2,241,000.
- Missouri Road Fund, the restatement is due to a decrease of accounts receivable of \$27,986,000.
- Non-major special revenue funds, the restatement is due to accounts receivable decreased by \$101,000. The increase in cash and cash equivalents of \$13,474,000, investments of \$11,127,000, accounts receivable of \$5,051,000, interest receivable of \$11,000, inventories of \$924,000, accounts payable of \$1,297,000, accrued payroll of \$2,057,000, due to other funds of \$68,000, and unearned revenue of \$111,000 was due to the reclassification of the Missouri Veterans' Homes Fund from an enterprise fund to a special revenue fund. Additionally, the reclassification caused an increase to deferred inflows of resources of \$98,000.
- Missouri Veterans' Homes, the restatement is due to the reclassification of the Missouri Veterans' Homes Fund from an enterprise fund to a special revenue fund.
- Non-major enterprise funds, the restatement is due to an increase of capital assets (net of accumulated depreciation/amortization) of \$103,000 and an increase of accounts payable of \$221,000.
- Non-major internal service funds, the restatement is due to a decrease in accounts receivable of \$599,000, an increase of capital assets (net of accumulated depreciation/amortization) of \$308,000, and an increase of obligations under financed purchases of \$940,000.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 17 - Restatements (cont.)**

- Discretely presented component units - colleges and universities, the restatement is due to an increase of cash and cash equivalents of \$1,220,000, an increase of restricted cash and cash equivalents of \$1,579,000, a decrease of receivables, net of \$513,000, an increase of restricted receivables of \$1,509,000, an increase of restricted long-term investments of \$160,000, a decrease of other long-term investments of \$40,000, a decrease of capital assets (net of accumulated depreciation/amortization) of \$13,278,000, an increase of deferred outflows of \$371,000, an increase of accounts payables and accrued liabilities of \$933,000, a decrease of bonds/notes/financed purchases payable of \$1,000, an increase of unearned revenue of \$2,745,000, and an increase in deposits of \$102,000. Net position increased by \$1,182,000 due to the implementation of GASB Statement No. 87, *Leases*.
- Discretely presented component units - non-major, net position increased by \$636,000 due to the implementation of GASB Statement No. 87, *Leases*.

**Purpose for restatements:**

The items on the schedule were restated as a result of additional information received this year related to prior year corrections.

On the Government-Wide Statement of Activities, net position for the governmental activities were restated by the amounts shown on the restatement schedule for governmental funds and internal service funds. In addition, internal balance increased by \$49,000, deferred outflows of resources increased by 6,819,000, capital assets (net of accumulated depreciation/amortization) increased by \$205,000, contingencies payable decreased by \$1,728,000, obligations under financed purchase decreased by \$941,000, and obligations under lease purchase increased by \$3,000. The increase of deferred outflows by \$18,310,000, compensated absences by \$4,145,000, net other postemployment benefits obligation by \$45,123,000, and net pension liability by \$142,609,000 was due to the reclassification of the Missouri Veterans' Homes fund from a proprietary fund to a special revenue fund. Additionally, the reclassification caused an increase to deferred inflows of resources of \$6,592,000.

On the Government-Wide Statement of Activities, net position for the business-type activities were restated by the amounts shown on the restatement schedule for enterprise funds and by a decrease in internal balance of \$49,000.

In fiscal year 2022, the State of Missouri implemented GASB Statement No. 87, *Leases*. The implementation of this statement has resulted in the restatement of net position and fund balances at the beginning of fiscal year 2022. The State of Missouri has not restated its financial statements for the year ended June 30, 2021, for the implementation of this statement because fiscal year 2020 lease information is not readily available, making restatement of the 2021 financial statements impractical. The restatement of beginning net position is as follows (in thousands of dollars):

	July 1, 2021		
	Governmental Activities	Business-Type Activities	Total
Net Position, June 30, 2021, as restated	\$ 31,586,304	\$ 735,229	\$ 32,321,533
Restatement of net position, leases	483	—	483
Net position, beginning of year as restated	<u>\$ 31,586,787</u>	<u>\$ 735,229</u>	<u>\$ 32,322,016</u>
<b>Restatement Consists of:</b>			
Changes to Capital Assets			
Buildings	(16,994)	—	(16,994)
Land - Right-to-Use	607	—	607
Temporary Easements - right-to-use	5	—	5
Buildings - right-to-use	73,515	—	73,515
Equipment - right-to-use	1,149	—	1,149
Infrastructure - right-to-use	24,927	—	24,927
Changes to long-term Liabilities			
Financed Purchases	(799)	—	(799)
Lease Liability	(81,927)	—	(81,927)
Restatement of net position, leases	<u>\$ 483</u>	<u>\$ —</u>	<u>\$ 483</u>



**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 18 - Fund Deficit**

The following funds had a deficit balance:

Enterprise Funds – State Lottery and State Agency for Surplus Property, Internal Service Funds – Natural Resources Cost Allocation, Working Capital Revolving, Economic Development Administrative, and Professional Registration Fees, and Component Unit Funds – Missouri Wine and Grape – At June 30, 2022, these funds had a net position deficit of \$17,685,000, \$545,000, \$24,027,000, \$5,873,000, \$3,663,000, \$12,353,000, and \$557,000 respectively. These funds have deficit balances due to the fiscal year 2015 implementation of GASB 68 and the reporting of net pension liabilities and the fiscal year 2018 implementation of GASB 75 and the reporting of OPEB liabilities. It is expected that these liabilities will be funded over time.

Enterprise Fund – Petroleum Storage Tank Insurance – At June 30, 2022, this fund had a net position deficit of \$47,031,000. The deficit occurred when transport load fees collected were not sufficient to cover the estimated claims liability for clean up of petroleum storage tank leaks. This liability amount is the cumulative result of numerous years of petroleum storage tank leaks. Per Section 319.129, RSMo, this fund will not accept new claim liabilities after December 31, 2025, or upon revocation of federal regulation 40 CFR, whichever occurs first, unless extended by action of the General Assembly. Under Section 319.132, RSMo, the Board of Trustees has authority to increase the transport load fee to a maximum of \$60 per 8,000 gallons. In addition, under Section 319.133, RSMo, the Board can increase annual participation fees to a maximum of \$500 per tank per year. These facts, along with the knowledge that PSTIF's claim reserves are set using very conservative assumptions, assure that adequate revenues will be available to meet its liabilities. Per Section 319.131, RSMo, the liability of the Petroleum Storage Tank Insurance Fund is not the liability of the State. Upon dissolution of this fund, the liability would be liquidated.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2022**

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**Note 19 - Tax Abatements**

The State has entered into various agreements to provide tax abatement's through certain programs that provide economic benefit to the State.

<b>Tax Abatement Program</b>	<b>Amount of Taxes Abated during Fiscal Year 2022 (in thousands)</b>
<b>Housing</b>	
Missouri Low Income Housing Tax Credit	\$ 113,246
Neighborhood Preservation Tax Credit	3,134
<b>Business Recruitment</b>	
Missouri Quality Jobs	8,967
Missouri Works - Business Incentives	134,717
Missouri Works New Jobs Training	5,849
Missouri Works Job Retention Training	7,447
Missouri Manufacturing Jobs Act	3,452
Business Use Incentives for Large-Scale Development	16,923
Enhanced Enterprise Zone	1,612
Business Facility Tax Credit	14,836
Amateur Sports Ticket Sales Tax Credit	886
Rebuilding Communities Tax Credit	—
Development Tax Credit	178
Data Center Sales Tax Exemption	— *
<b>Redevelopment</b>	
Historic Preservation Tax Credit	106,311
Brownfield Remediation	3,192
<b>TOTAL</b>	<b>\$ 420,750</b>
Chapter 100 Personal Property Tax Exemption - maximum amount of state sales tax exemption over the terms of the leases for fiscal year 2022 projects	<b>\$ 1,980</b>

\*Confidential

**Housing**

The Missouri Low Income Housing Tax Credit (MOLIHTC) is authorized by Sections 135.350-135.363, RSMo, and is a ten year tax credit which is available to qualified owners of affordable rental housing. To qualify upon application, a development must 1) rent at least 20% of its units to families earning 50% of the area median family income, 2) rent at least 40% of its units to families earning 60% of the area median family income, each adjusted for family size or 3) rents at least 40% of its units to families whose income does not exceed the income limitation designated for the respective unit, where the average of the income-designated units may not exceed 60% AMGI. The MOLIHTC generates equity investments that are purchased by the private sector for the development of new or rehabilitated rental housing which enables owners to lower rents to affordable levels for low-income families. The investor of the MOLIHTC can redeem the credit by applying it dollar for dollar to the following types of tax liabilities: income tax, corporate franchise tax, insurance premium tax, other financial institutions tax, or express company tax. MOLIHTC properties must comply with tenant eligibility, property maintenance, and fair housing law throughout a 15-year period. The Missouri Housing Development Commission monitors the properties for compliance and reports non-compliance to the Internal Revenue Service and Missouri Department of Revenue. Property owners found to be out of compliance are subject to recapture through the provisions of Section 135.355, RSMo and IRS §42. Redemptions were made on MOLIHTC's authorized/issued in prior years. The MOLIHTC reduced state taxes by \$113,246,000 during fiscal year 2022.

**STATE OF MISSOURI**  
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**Note 19 - Tax Abatements (cont.)**

The Neighborhood Preservation Tax Credit is authorized by Sections 135.475-135.487, RSMo, and provides incentives for homeowners in lower income areas who rehabilitate or construct owner-occupied homes in qualifying or eligible areas of the State. Upon application, the eligible property must be in a qualifying area with a median household income of less than 70% of the median household income for the metropolitan statistical area (MSA) or non-MSA; or be located in an eligible area with a median household income of 70-89% of the median household income for the applicable MSA or non-MSA. Recipients are eligible to receive a credit for 15% of eligible costs up to \$25,000 per residence for new residences in eligible areas; 15% of eligible costs up to \$40,000 per residence for new residences in qualifying areas; 25% of eligible costs with a minimum of \$10,000 and not to exceed \$25,000 per residence for substantial rehabilitation in eligible areas; 35% of eligible costs with a minimum of \$5,000 or 50% of purchase price and not to exceed \$70,000 per residence for substantial rehabilitation in qualifying areas; and 25% of eligible costs with a minimum of \$5,000 and not to exceed \$25,000 per residence for non-substantial rehabilitation in qualifying areas. The abatement's can be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. A taxpayer, other than the owner-occupant who receives a certificate of tax credit, shall have 30 days within the date of the sale to furnish satisfactory proof that the residence was sold at market to the Director of the Department of Economic Development (DED). If the Director determines that the residence was not in good faith intended for long-term owner occupancy, then the Director may revoke any tax credits issued and seek recovery of those credits pursuant to Section 620.017, RSMo. There are no other commitments made as part of the agreement. The Neighborhood Preservation Tax Credit reduced state taxes by \$3,134,000 during fiscal year 2022.

**Business Recruitment**

Missouri Quality Jobs is authorized by Sections 620.1875-620.1890, RSMo and provides tax incentives to qualified companies for facilitating the creation of new jobs or the retention of existing jobs in the State. This program has been replaced by Missouri Works, except for current projects. To qualify, the company must create a minimum number of jobs within the project facility within 2 to 3 years after the approval of the Notice of Intent and must maintain those jobs for the duration of the benefit. The average wage of the new jobs must equal or exceed the average county wage and the company must offer health insurance and pay at least 50% of the premium. The company must also submit an annual report. Companies may retain 100% of withholding tax that would otherwise be paid into the State or receive tax credits based on the percentage of new payroll or a combination of both for the new or retained jobs approved. The credits can be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. Missouri Quality Jobs reduced state taxes by \$8,967,000 during fiscal year 2022.

The Missouri Works - Business Incentives is authorized by Sections 620.2000-620.2020, RSMo and provides tax incentives for qualified companies to create or retain jobs in the State. There are several sub-programs under this program with different qualifications for each. To qualify for the credits, a company must create or retain a minimum number of new jobs at the project facility with average wages of 80%, 90%, 100%, 120%, or 140% of the county average wage, depending upon the sub-program. The company must offer health insurance and pay at least 50% of the premium. The company must meet the requirement for new private capital investments, ranging from \$0 to \$500 million. The company must meet the required number of jobs at the applicable % of the county average wage within 2 years of the Approval of the Notice of Intent and must maintain those minimums for the duration of the benefit. The company must also submit an annual report documenting the jobs created, total payroll, and health insurance requirements. Companies may retain 100% of withholding tax that would otherwise be paid into the State or receive tax credits based on the percentage of new payroll or a combination of both for the new or retained jobs approved. The credits can be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. Taxes may be recaptured due to misrepresentation, out-of-state relocation, or failure to file an annual report. The agreement requires 100% of the benefits received to be repaid within 60 days for misrepresentation or out-of state location or one year for failure to file an annual report. There are no other commitments made as part of the agreement. Missouri Works - Business Incentives reduced state taxes by \$134,717,000 during fiscal year 2022.

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**Note 19 - Tax Abatements (cont.)**

Missouri Works New Jobs Training and Job Retention Training are authorized by Sections 620.800-620.809, RSMo. New Jobs Training provides assistance to eligible companies to train workers in newly created jobs. This program has an annual appropriation. For funding consideration, the company must create new jobs in the state; the project must include eligible training costs, as well as other eligibility criteria such as types of occupations, wage rates, and turnover rates. Job Retention Training provides training assistance to eligible companies for job retention efforts. To qualify, a project must be for an existing Missouri company making a capital investment of at least 5 times the total project costs, retaining at least 100 eligible jobs at the facility for at least one year, be located in a border community, or be determined to represent substantial risk of relocation. Eligible companies for both programs include manufacturing, research and development, or those engaged in interstate commerce. The company must retain the eligible jobs in the project for at least 5 years and use the funding only toward eligible project costs. These programs are administered locally through community colleges. While the recipient's taxes are not actually reduced, a portion of normal withholding payments (paid to the Department of Revenue) are deferred to pay for eligible project costs. The amount that can be deferred is 2.5% of the payroll for the first 100 jobs in the project and 1.5% of the payroll for the remaining jobs in the project. The company may file withholding claims for the project until the budgeted project funds are disbursed; typically for a period of 3-5 years, with maximum limit of 8 years. There are no other commitments under these programs. Recapture provisions apply in accordance with Section 620.017, RSMo in which the recipient shall repay training funds under these programs if the jobs included in the project are moved out of Missouri or are eliminated within five years of the date the project is approved by DED. The Director of the Division of Workforce Development within DED shall have the authority and discretion to exempt the recipient in whole or in part of such repayment. Missouri Works New Jobs Training and Job Retention Training reduced state taxes by \$5,849,000 and \$7,447,000, respectively, during fiscal year 2022.

The Missouri Manufacturing Jobs Act is authorized by Section 620.1910, RSMo and provides incentives in the form of retaining withholding taxes to expand manufacturing facilities for an existing product or the creation of a new product. This program sunset in 2016 and no new applications are being accepted. To qualify, manufacturing companies must have a North American Industry Classification System (NAICS) of 33611, which is an establishment primarily engaged in (1) manufacturing complete automobile and light duty motor vehicles or (2) manufacturing automobile and light duty motor vehicle chassis. The company must manufacture goods at a facility in the state throughout the period benefits are received, and make a capital investment at a facility of at least \$75,000 per retained job for the manufacture of a new product within 2 years of beginning to retain withholding taxes or commit to make a capital investment of at least \$50,000 per retained job at the facility for the modification or expansion of the manufacture of an existing product within 2 years of beginning to retain withholding taxes. Qualified suppliers of an eligible manufacturer must attest to DED that they derive more than 10% of its total annual sales revenue from sales to a qualified manufacturing company, add 5 or more new jobs for a period of 3 years, pay wages for the new jobs equal to or exceeding the county average wage using the NAICS industry classification, but are not less than 60% of the statewide average wage, and the company must offer health insurance and pay at least 50% of the premium. If qualified, the company is allowed to retain 100% of the withholding tax that would otherwise have been paid in to the state for those jobs for 10 years for qualified manufacturers or 3 to 5 years for qualified suppliers. There are no provisions for recapture and no other commitments are made as part of the agreement. The Missouri Manufacturing Jobs Act reduced state taxes by \$3,452,000 during fiscal year 2022.

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**Note 19 - Tax Abatements (cont.)**

Business Use Incentives for Large-Scale Development (BUILD) is authorized by Sections 100.700-100.850, RSMo. The incentives offered by the BUILD Missouri Program are designed to offset infrastructure and other capital costs of certain large projects by making the cost of investing in Missouri more competitive. The costs are financed through the issuance of Board of Certificates (bonds or notes), where the principal and interest will be repaid by the business. Businesses are then reimbursed for these repayments through the issuance by the Board of Missouri state income tax credits. The businesses may use these credits against taxes, which would otherwise be due, or to obtain a refund if the business has insufficient Missouri income tax liability to offset the credit. A business can apply these credits against income tax, bank tax, insurance premium tax, or other financial institutions tax. To qualify, an eligible industry in manufacturing, processing, assembly, research and development, agricultural processing or services in interstate commerce must invest a minimum of \$15 million; or \$10 million for an office industry in an economic development project; and create a minimum of 100 new jobs at the project facility within 3 years, or a minimum of 500 jobs if the project is an office industry, or a minimum of 200 new jobs if the project is an office industry located within a distressed community as defined in Section 135.530, RSMo. The tax credits become subject to recapture if the company does not expend the minimum investment on or before the first test date established in the program agreement, or create and maintain the minimum number of new jobs on or before the first test date. The first test date is the last day of the closest calendar quarter ending 3 years following bond closing. The tax credits are also subject to recapture if the company eliminates or announces its intention to eliminate all the new jobs at the project within 2 years of the first test date. If subject to recapture, the company shall, within 30 days following written demand from the Board, reimburse the Board in full for the face amount of the tax credits received from the date of execution of the program agreement to the date of such demand. There are no other commitments made as part of the agreement. The BUILD program reduced state taxes by \$16,923,000 during fiscal year 2022.

The Enhanced Enterprise Zone is authorized by Sections 135.950-135.973, RSMo and provides tax credits to new or expanding businesses in enhanced enterprise zones. To qualify, a company must create or maintain at least 2 new jobs and make at least \$100,000 in eligible investments. In addition, a Notice of Intent must be approved by DED, and the business must submit an annual report. Eligibility for the credit is determined by the zone based on creation of sustainable jobs in a targeted industry or demonstrated impact on local industry cluster development. Taxes are reduced by claiming a tax credit against the Missouri income tax liability owed to the state. The tax credits are calculated at 2% of new payroll and 0.5% of new investment. There are no provisions for recapture and no other commitments are made as part of the agreement. The Enhanced Enterprise Zone reduced state taxes by \$1,612,000 during fiscal year 2022.

The Business Facility Tax Credit is authorized by Sections 135.100-135.150 and Section 135.258, RSMo and provides to facilitate the expansion of new or existing facilities in Missouri. To qualify, a Notice of Intent must be approved by DED; the facility must create at least 2 new jobs and make \$100,000 in eligible investments or pursuant to House Bill 191 (2009), for "headquarters" that commence operations and "headquarters" of certain "employee-owned" businesses that commence or expand operations must create 25 new jobs and make \$1,000,000 in new investment. The company must submit an annual report to DED. Taxes are reduced by claiming a tax credit against the Missouri tax liability owed to the state. The tax credits are calculated as \$75 to \$150 per new job and \$75 to \$150 for each \$100,000 in new investment for up to 10 years. The tax credits for headquarters are calculated as the greater of \$400 per new job plus 4% of new investment or \$500 per new job plus \$500 per each \$100,000 in new investment for up to 10 years. The credit may be applied against income tax, insurance premium tax, or insurance company retaliatory tax. This program has sunset as of January 1, 2005 except headquarters that commence or expand operations on or before January 1, 2031 may be eligible for the program. There are no provisions for recapture and no other commitments are made as part of the agreement. The Business Facility Tax Credit reduced state taxes by \$14,836,000 during fiscal year 2022.



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**Note 19 - Tax Abatements (cont.)**

The Amateur Sports Ticket Sales Tax Credit is authorized by Section 67.3000, RSMo and provides an incentive to encourage the location of competitively bid amateur sporting events in Missouri. Upon application, applicants must submit predictions on the anticipated economic benefit to the state. Applicants will be evaluated based upon anticipated and verified economic performance. The program is available to one or more certified sponsors active in the National Association of Sports Commissions, endorsing counties, endorsing municipalities, or a local organizing committee, acting individually or collectively. The program provides tax credits equal to the lesser of: \$5 per admission ticket sold to the event; or 100% of eligible costs incurred by the applicant. The recipient is able to reduce their outstanding tax liability in an amount equal to the value of the tax credit and may be taken against income tax, bank tax, insurance premium tax, and other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Amateur Sports Ticket Sales Tax Credit reduced state taxes by \$886,000 during fiscal year 2022.

The Rebuilding Communities Tax Credit is authorized by Section 135.535, RSMo and provides a tax credit for eligible businesses locating, relocating, or expanding within a distressed community. This program has been replaced by Missouri Works, except for current projects. To qualify, a business must have fewer than 100 full-time employees, 75% of which must be located in the distressed community; be primarily engaged in manufacturing, biomedical, medical devices, scientific research, animal research, computer software design, computer software development or computer programming, which includes Internet, web hosting, and other information technology, wireless, wired or other telecommunications, or a professional firm. A business must make eligible purchases and be located in a distressed community. The business must submit an annual tax credit application documenting eligible expenditures on the project to DED. Once approved, the tax credit is calculated at 40% or 25% of the qualifying expenditures and may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Rebuilding Communities Tax Credit reduced state taxes by less than one thousand dollars during fiscal year 2022.

The Development Tax Credit is authorized by Sections 32.100-32.125, RSMo and provides incentives to facilitate a business project in order to create new jobs. This program has been replaced by Missouri Works, except for current projects. Tax credits are issued to approved taxpayers that make an eligible donation to a non-profit corporation. The non-profit leases assets to an approved company. The company must create a specified number of jobs within 2 years and be in a distressed or blighted area. In many instances, the taxpayer that makes the donation is also the company that is creating the economic impact. The donor that makes the contribution must submit a tax credit application to DED. Once approved, taxes are reduced by claiming a tax credit against Missouri tax liability owed to the state. The tax credit is calculated at 50% of the eligible donation and may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, other financial institutions tax, or express company tax. No other commitments are made as part of the agreement. DED may recapture tax credits up to the amount issued if the non-profit fails to complete the project or comply with the agreement. The non-profits only and not the donors are subject to the recapture. The Development Tax Credit reduced state taxes by \$178,000 during fiscal year 2022.

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**Note 19 - Tax Abatements (cont.)**

Chapter 100 Personal Property Tax Exemption is authorized by Section 144.054 (2), RSMo and provides a state and local sales tax exemption on tangible personal property leased by a company from the City or County. To qualify, cities and counties may apply to DED on behalf of eligible companies for which Chapter 100 bond proceeds are used to purchase tangible personal property, which is leased back to the company. DED may apply discretionary benefit exemption if the benefit contained in a formal DED proposal is accepted by the company. Since DED cannot enact the sales tax exemption on the lease without the underlying Municipality Chapter 100 in place, any inclusion in a formal DED proposal will be coordinated with the Municipality and their economic developer. The proposal must have been accepted by the company prior to any project announcements, no approval or issuance of the bonds may have taken place, and the tangible personal property may not have been purchased prior to the acceptance of the proposal. The project must also be competitive, have comprehensive local incentive participation, have above average wages with benefits, be located in an economically distressed or blighted area, have a positive state fiscal impact, and have an indication that the municipality has offered the local Chapter 100 exemptions. The company receives the exemption on sales tax as the facility, construction materials, and certain tangible personal property may be purchased as exempt by the City or County and then leased back to the company. The company will be responsible for the payment of sales tax on purchases exceeding the maximum accepted in the proposal, ineligible purchases, or the revenue stream generated by lease of ineligible personal property. There are no provisions for recapture and no other commitments are made as part of the agreement. The sales tax is applicable to the lease payments made over a period not to exceed 20 years by statute and restricted further by local ordinance. The sales tax exemptions are only applicable if tangible personal property purchases are made within established project time periods, as listed on the certificate. For fiscal year 2022, certificates were provided for the exemption of state sales tax related to lease payments of tangible personal property under a Chapter 100 structure for one project. The fiscal year 2022 project certificates total a cumulative amount of state sales tax not to exceed \$1,980,000 over the term of the lease.

Data Center Sales Tax exemption is authorized by Section 144.810, RSMo and incentivizes the location and expansion of data centers in the state by providing an exemption of the sales and use taxes associated with a variety of activities necessary to build a new facility or expand an existing facility. To qualify, companies must create 5 new jobs and \$5 million in investment for expanding facilities or create 10 new jobs and \$25 million in investment for new facilities within certain time frames. A company is refunded their sales and use taxes for new purchases related to the data center project for the period prior to meeting the threshold for participation and then are exempt for a period of no more than 10 years for expanding facilities or 15 years for a new facility. Taxes may be subject to recapture if the full investment projected is not met or if the jobs created are not maintained, causing the cost/benefit to the State to be negative, or if the company does not meet the minimum thresholds. Taxes will be recaptured up to the amount that creates a positive cost/benefit to the state, or if the company does not meet the minimum thresholds, the full exemptions to date must be repaid. No other commitments are made as part of the agreement. The amount that state taxes were reduced is confidential under Section 32.057, RSMo.

**Redevelopment**

The Historic Preservation Tax Credit is authorized by Sections 253.545-253.561, RSMo and provides an incentive for the redevelopment of commercial and residential historic structures in the state. Upon application, the eligible property must be listed on the National Register of Historic Places, be certified by the Department of Natural Resources (DNR) as contributing to the historical significance of a certified historic district listed on the National Register, or located within a local historic district that has been certified by the U.S. Department of Interior. The costs and expenses associated with the rehabilitation must exceed 50% of the total basis of the property. All approved applicants must commence rehabilitation within 2 years of the date of issuance of the letter of approval from DED. The program provides state tax credits equal to 25% of eligible costs and expenses of the rehabilitation of approved historic structures, which the recipient is able to use to reduce their outstanding tax liability in an amount equal to the value of their tax credit. The credit may be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Historic Preservation Tax Credit reduced state taxes by \$106,311,000 during fiscal year 2022.

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**Note 19 - Tax Abatements (cont.)**

Brownfield Remediation is authorized by Sections 447.700-447.718, RSMo and provides incentives to businesses or developers to redevelop property contaminated with hazardous waste. To qualify, the property must be abandoned or underutilized for at least 3 years, and contaminated with hazardous substance, the applicant cannot be a responsible party, the project must be accepted into DNR Voluntary Cleanup Program, the project must be endorsed by city or county government, must create at least 10 new jobs or retain 25 jobs, the project must create a positive net state economic benefit, and must demonstrate need for the credits. The recipient is able to reduce their outstanding tax liability in an amount equal to the value of the tax credit. The tax credits may be issued for up to 100% of eligible costs and expenses for remediating the project property. The tax credit may also include up to 100% of the costs of demolition that are not directly part of the remediation activities. The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation including demolition required for remediation. DED will issue 75% of the credits upon adequate proof of payment of the costs; the remaining 25% will not be issued until a clean letter has been issued by DNR. The tax credits may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. The tax credits may be subject to recapture in the event the owner sells the abandoned or underutilized property within a 5 year period after the receipt of remediation tax credits, grants, loans or loan guarantee. Subject to Sections 447.700-447.718, RSMo, the owner shall repay a portion of the tax credits and grant funds provided based on the percentage of the owner's investment for the project to DED's total financial assistance, upon achieving an annual internal rate of return of 25%. The internal rate of return calculation shall be documented by the owner's capital gains tax calculation. Owner investment is equity and debt for the eligible project. At the end of the project, a purchaser who has performed voluntary remediation action certifies to DNR that the goals of the purchaser's voluntary remediation plan have been attained. DNR verifies the remediation plan goals are achieved and issues a certificate that states that the site has been cleaned up to DNR standards pertaining to the property itself and therefore protects both current and future owners of the property. Brownfield Remediation reduced state taxes by \$3,192,000 during fiscal year 2022.

**Note 20 - Commitments**

**Contracts**

The Department of Conservation had contracts outstanding of \$523,000 for construction at June 30, 2022. These contracts are funded through special revenue funds from specific sales tax, fees, and permits.

The Department of Transportation had long-term contracts of \$1,388,591,000 outstanding at June 30, 2022. These contracts are paid from capital projects funds with approximately 64% federal reimbursement expected.

The Office of Administration, Division of Facilities Management, Design and Construction, had construction contracts outstanding at June 30, 2022 of \$53,304,000. Approximately 68.0% will be paid from the General Fund, 22.6% from special revenue funds, 7.2% will be paid from the capital projects funds, and 2.2% will be paid from enterprise funds.



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**Note 20 - Commitments (cont.)**

On March 10, 1988, the State of Missouri entered into a contract with the United States Army Corps of Engineers confirming an assurance agreement of April 8, 1965. The State obtained rights to a portion of the water supply storage from the Clarence Cannon Dam and Mark Twain Lake Project. The State agreed to pay up to \$11.2 million plus interest for the investment costs allocated to the water supply storage, the amount of such payments to be determined by the portion of the water storage space put in use by the State for that purpose. The contract provided a ten year interest free period running from 1984 to 1994. In fiscal year 1995, the State began making interest payments. The interest payment amount for fiscal year 2022 was \$364,000. Payment of principal and interest must be completed by March 2038.

As of June 30, 2022, the University of Missouri had outstanding commitments for the usage and ongoing support of the University Health System's information technology environment totaling \$260,138,000. The payments are as follows:

2023	\$	29,620,000
2024		30,607,000
2025		31,626,000
2026		32,277,000
2027		32,946,000
2028-2030		103,062,000

Truman State University had approximately \$4,100,000 in outstanding commitments for various construction contracts at June 30, 2022.

Southeast Missouri State University had outstanding commitments of approximately \$21,700,000 related to construction contracts at June 30, 2022.

Missouri State University had approximately \$33,700,000 in outstanding commitments for various construction contracts at June 30, 2022.

University of Central Missouri had approximately \$13,921,000 in outstanding commitments related to construction contracts at June 30, 2022.

Northwest Missouri State University had approximately \$2,869,000 in outstanding commitments related to various construction contracts at June 30, 2022.

**Note 21 - Risk Management, Claims, and Judgements**

The State is exposed to various risks of loss related to tort, general, motor vehicle, and contractor liability and injuries to employees. The State assumes its own liability for risks except for the purchase of surety bond, aircraft, and boiler coverage. The State's Office of Administration (OA), Risk Management Unit, self-insures its workers' compensation program for all state employees, with the exception of the Missouri Department of Transportation (MoDOT) and the State Highway Patrol. Liability insurance is also provided by OA-Risk Management, pursuant to state statute, through the State's Legal Expense Fund, which is a component of the General Fund in this report. This insurance covers all state employees.

The Workers' Compensation and Legal Expense Fund claims liability is based upon actual claims that have been submitted to OA-Risk Management. Incurred but not reported (IBNR) liability is not included since workers' compensation and liability insurance claims are reported timely, and therefore any potential IBNR liability amount would be considered immaterial. The State has not had any insurance settlements exceed the coverage. OA-Risk Management also procures property insurance for approximately 3% of all state buildings, with the remainder uninsured. The buildings are insured through purchased property insurance and through the Property Preservation Fund. Buildings insured through the Property Preservation Fund are backed with bonded debt through the Board of Public Buildings.

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**Note 21 - Risk Management, Claims, and Judgements (cont.)**

The Transportation Self-Insurance Plan covers workers' compensation for employees of MoDOT and the State Highway Patrol, and covers vehicle liability and general liability insurance for the employees of MoDOT. The Transportation Self-Insurance Plan is presented as an internal service fund. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Estimated pending self insurance claims represent the expected losses to be realized on known claims pending and include minor non-incremental claims adjustment expenses. Estimated unreported claims represent expected losses or claims incurred but not reported. Amounts are reported based on actuarial calculations. Liabilities for incurred losses related to workers' compensation and general and vehicle liability claims are reported at their discounted value, assuming an investment yield of 2.0%.

The Missouri Consolidated Health Care Plan (MCHCP) provides health care insurance to all state employees, except for MoDOT, the State Highway Patrol, and the Department of Conservation. The Plan for active employees is presented as an internal service fund. Estimated claims payable is based on known medical claims pending as well as an estimate of IBNR claims from data provided by an actuary.

The MoDOT and MSHP Medical and Life Insurance Plan (MHPML) accounts for the medical coverage provided on a self-insured basis and life insurance benefits, for employees of MoDOT and the State Highway Patrol. The Plan is presented as an internal service fund. Estimated claims payable is established from an actuarial report, which is based on data by MoDOT and claims administrators.

The Conservation Employees' Insurance Plan (CEIP) provides health care and life insurance to employees of the Department of Conservation. The Plan is presented as an internal service fund. Estimated claims payable is based on known claims pending as well as an estimate of IBNR claims.

On August 14, 2012, a lawsuit was filed against the Department of Corrections, *Hootselle v. Department of Corrections*, No. 12AC-CC00518. Several corrections officers alleged that the Missouri Department of Corrections failed to compensate them for pre- and post-shift activities, including passing through security checkpoints and retrieving equipment such as keys and radios. They entered a settlement agreement on June 1, 2022. Final judgement was entered on October 11, 2022.

The Petroleum Storage Tank Insurance Fund (PSTIF) has claims liability for the cost of contamination cleanup for participants and other eligible site owners who have submitted notice of a contamination. The PSTIF is presented as a non-major enterprise fund.

The University of Missouri System provides workers' compensation, liability, and medical insurance for its employees. The University funds this through a combination of self-insurance and commercially purchased insurance. The amount of coverage is based upon analysis of historical information and actuarial estimates. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The claims liability is the present value of the claims, using discount rates ranging between 0.50% and 3.50% based on expected future investment yield assumptions. The University of Missouri System is included with college and universities as a major component unit of the State.

Missouri State University is exposed to various risks of loss. These include loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accidental benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to general liability, workers' compensation, natural disasters, and employee health benefits. Settled claims have not exceeded the commercial coverage in any of the three preceding years. Additional coverage is provided through the State Self-Insurance Program, through the Risk Management Unit of the Office of Administration. The State of Missouri self-insures the workers' compensation benefits for all state employees, including University employees.

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**Note 21 - Risk Management, Claims, and Judgements (cont.)**

Southeast Missouri State University is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, business interruption, errors and omissions, employee injuries and illnesses; natural disasters and employee health and accident benefits. The University purchases commercial insurance and also receives coverage through the State of Missouri for these risks of loss. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Changes in the balances of claims liability (in thousands of dollars) during the current and prior fiscal years are as follows:

	Type of Insurance Claims	Fiscal Year Claims Liability 6/30/2021	Current Year Claims and Estimated Changes	Claim Payments	Fiscal Year Claims Liability 6/30/2022
<u>Governmental Activities</u>					
OA Workers Compensation Fund	Workers Comp.	\$ 19,560	\$ 38,410	\$ (43,200)	\$ 14,770
OA Legal Expense Fund	Liability	2,519	2,283	(1,611)	3,191
Transportation Self-Insurance Plan	Workers Comp. and Liability	77,813	22,055	(19,141)	80,727
MCHCP	Health Care	42,748	460,344	(451,189)	51,903
MHPML	Health Care	11,900	142,713	(144,013)	10,600
CEIP	Health Care	2,722	25,047	(23,189)	4,580
Corrections	Judgement	—	63,361	—	63,361
Total Governmental Activities		<u>\$ 157,262</u>	<u>\$ 754,213</u>	<u>\$ (682,343)</u>	<u>\$ 229,132</u>
<u>Business-Type Activities</u>					
PSTIF	Contamination Cleanup	<u>\$ 87,213</u>	<u>\$ 10,388</u>	<u>\$ (8,385)</u>	<u>\$ 89,216</u>
<u>Component Units</u>					
University of Missouri System	Workers Comp. and Liability	\$ 91,732	\$ 236,669	\$ (221,728)	\$ 106,673
Missouri State University	Health Care, Workers Comp. and Liability	2,115	24,822	(24,957)	1,980
Southeast Missouri State University	Workers Comp. and Liability	1,228	8,658	(8,588)	1,298
Total Component Units		<u>\$ 95,075</u>	<u>\$ 270,149</u>	<u>\$ (255,273)</u>	<u>\$ 109,951</u>

**STATE OF MISSOURI**  
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**Note 21 - Risk Management, Claims, and Judgements (cont.)**

	Type of Insurance Claims	Fiscal Year Claims Liability 6/30/2020	Current Year Claims and Estimated Changes	Claim Payments	Fiscal Year Claims Liability 6/30/2021
<u>Governmental Activities</u>					
OA Workers Compensation Fund	Workers Comp. Liability	\$ 23,241	\$ 26,059	\$ (29,740)	\$ 19,560
OA Legal Expense Fund		2,943	407	(831)	2,519
Transportation Self-Insurance Plan	Workers Comp. and Liability	68,845	27,191	(18,223)	77,813
MCHCP	Health Care	42,598	450,589	(450,439)	42,748
MHPML	Health Care	10,500	135,107	(133,707)	11,900
CEIP	Health Care	2,881	18,140	(18,299)	2,722
Total Governmental Activities		<u>\$ 151,008</u>	<u>\$ 657,493</u>	<u>\$ (651,239)</u>	<u>\$ 157,262</u>
<u>Business-Type Activities</u>					
PSTIF	Contamination Cleanup	<u>\$ 85,163</u>	<u>\$ 10,651</u>	<u>\$ (8,601)</u>	<u>\$ 87,213</u>
<u>Component Units</u>					
University of Missouri System	Workers Comp. and Liability	\$ 89,328	\$ 225,118	\$ (222,714)	\$ 91,732
Missouri State University	Health Care, Workers Comp. and Liability	2,167	24,615	(24,667)	2,115
Southeast Missouri State University	Workers Comp. and Liability	1,719	8,510	(9,001)	1,228
Total Component Units		<u>\$ 93,214</u>	<u>\$ 258,243</u>	<u>\$ (256,382)</u>	<u>\$ 95,075</u>

**Risk Management Pool:**

The State of Missouri participates in the property program of the Midwestern Higher Education Compact (MHEC) as defined in Section 173.700, RSMo. This program was formed to expand coverage, reduce costs, and stabilize property insurance rates over extended time periods at higher education institutions in all member states. The program offers loss limit coverage tailored to individual institutions as well as self-insured retention by institution. The MHEC Risk Management Oversight Committee directs the major operations of the program overseeing the development of program policies, premium allocations, new program memberships, and selection of program administrators and insurance underwriters.

**STATE OF MISSOURI**  
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**Note 22 - Pollution Remediation and Landfill Closure and Postclosure**

The State has an obligation to address current or potential detrimental effects of existing pollution by participating in pollution remediation activities.

The Missouri Department of Natural Resources (DNR) was compelled to assess and oversee the cleanup of contaminated sites subject to federal law under the Resource Conservation and Recovery Act (RCRA), also known as the Superfund Law, administered by the U.S. Environmental Protection Agency (EPA). Under this law, the State is required to pay or ensure payment of 10% of the costs of remediation action and 100% of the costs of operations and maintenance at sites where the party responsible for the contamination is unknown, uncooperative, or insolvent. Similarly, Section 260.391.7, RSMo, states that the public should bear a portion of the cost to pay for the State's share of Superfund cleanup to be appropriated from general revenue. At the end of fiscal year 2022, the State was participating in the cleanup of fifteen Superfund sites. Total pollution remediation obligation for these sites totaled approximately \$50.3 million. The basis for these costs are State Superfund contracts that list the estimated cost of cleanup, or actual costs if cleanup is complete, less any payments that have been made to the EPA. Estimated costs will change as actual costs become available. The Hazardous Waste Fund is a component of Conservation and Environmental Protection.

The Missouri Department of Transportation (MoDOT) is in remediation activities related to buildings and grounds caused by contamination and a fuel leak. The current pollution remediation obligation for these sites total approximately \$4.0 thousand. The potential for additional pollution remediation exists, however, any future remediation obligations are not yet estimable.

The Department of Public Safety, Office of the Adjutant General, has been named as a potentially responsible party in the Pools Prairie Superfund site in Newton County, Missouri. The site is listed on the National Priorities List (NPL) and is governed by the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). At this time, the Department of Public Safety's portion of the costs for the cleanup cannot be determined.

Changes in the balances of pollution remediation liability (in thousands of dollars) during the current fiscal year are as follows:

Governmental Activities	Type of Pollution Remediation	Fiscal Year Remediation Liability 6/30/2021	Current Year Assessments and Estimated Changes	Payments	Fiscal Year Remediation Liability 6/30/2022	Due Within One Year
DNR	Superfund Sites	\$ 48,130	\$ 4,074	\$ (1,947)	\$ 50,257	\$ 2,799
MoDOT	Buildings and Grounds Remediation	4	—	—	4	—
Total Governmental Activities		<u>\$ 48,134</u>	<u>\$ 4,074</u>	<u>\$ (1,947)</u>	<u>\$ 50,261</u>	<u>\$ 2,799</u>

**STATE OF MISSOURI**  
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**Note 22 - Pollution Remediation and Landfill Closure and Postclosure (cont.)**

Each landfill owner/operator is required to obtain a financial assurance instrument, which is held by the State as security in the case of a default or forfeiture. Financial assurance instruments can include financial guarantee or performance bonds, letters of credit, insurance policies, corporate guarantees, contracts of obligations, trust funds, and escrow accounts. At June 30, 2022, the DNR, Solid Waste Program tracked the value of the secured financial assurance instruments held by the State to be \$373.1 million. This amount is disclosed, but not reported in the financial statements, because the State does not perform the investment function and does not have significant administrative involvement. While the State maintains possession of the financial assurance instruments, it does not meet criteria to be reported in a fiduciary fund.

As of June 30, 2022, Missouri Department of Natural Resources (DNR) had eleven active Municipal Solid Waste Landfills (MSWLFs), no disposal transfer stations, and there was none in bankruptcy and no defaults. The owners/operators failed to properly close or maintain post-closure care for these facilities; therefore, the State took possession of the forfeited financial assurance instruments to initiate the closure or post-closure activities as required by Section 260.228, RSMo. The State will monitor and pay post-closure care costs of these facilities for the next 30 years in accordance with the DNR Solid Waste Management Law and Regulations. At June 30, 2022, it is expected that \$1.4 million will be paid over the remaining monitoring periods. This is the amount of the assigned fund balance that has been designated on the General Fund balance sheet for forfeited assets. The percentage of landfill capacity used to date is 38.3 percent. The estimated remaining landfill life is 29.05 years.

The University of Missouri System has been working with the Voluntary Cleanup Program of the Missouri Department of Natural Resources (DNR) to characterize subsurface contamination on a University owned property. The University has received the results of the two-year sampling process in fiscal year 2016. The University is awaiting a determination from DNR and the National Regulatory Commission (NRC) on decommissioning the site. The University does not believe that the documents from the 2016 sampling support the decision to add the site to the university's NRC license due to an overestimated quantity of isotopes managed at the site. The University made a formal request to remove the site from the NRC license. If DNR and the NRC find the dose assessment to be unacceptable, then the University will be required to fully decommission the site, including a sampling plan. The cost of a sampling plan to characterize the chemical contamination is estimated at \$1.0 million. The University has not commenced any actions requiring the recognition of a liability for this property.

**Note 23 - Asset Retirement Obligations**

The State has a legally enforceable obligation to perform future asset retirement obligations (ARO) related to its tangible capital assets.

The Missouri Department of Natural Resources (DNR) has a total ARO of \$1,720,000 for gas chromatographs, radiation detectors, petroleum above ground storage tanks, and permitted sewage treatment plants. Gas chromatographs and radiation detectors are considered radioactive sources and will not be accepted by the State's Surplus Property Program, thus requiring a cost for disposition. These ARO's are measured at the current cost of returning the items to the vendor. Gas chromatographs have remaining useful lives of 1 to 7 years and radiation detectors have remaining useful lives of 0 to 6 years. The ARO for petroleum above ground storage tanks is measured using the best estimate for taking the tanks out of service, which consists of emptying the tanks, removing the secondary containment, and proper disposal. Remaining useful lives of the tanks are 0 to 13 years. Aboveground storage tanks are regulated under the Missouri Code of State Regulations 2 CSR 90-30.050.16. The ARO for permitted sewage treatment plants is measured using the best estimate for closure of the facilities, which includes submitting a closure plan to DNR addressing wastewater and sludge removal, dewatering activities, removal of treatment structures, and removal of solid waste or leaving in place as a clean fill. Remaining useful lives of the plants are 0 to 45 years. Permitted sewage treatment plants are regulated by the Missouri Code of State Regulations 10 CSR 20-6-011.12 and the Federal Clean Water Act. The ARO for these items would be funded by state appropriations.



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**Note 23 - Asset Retirement Obligations (cont.)**

The Missouri Department of Transportation (MoDOT) has an ARO of \$64,000 to properly dispose of all nuclear gauges used to measure physical properties of materials during its construction projects. The ARO is measured using the current cost of returning the items to the vendor. The assets have an anticipated useful life of 15 years. Disposal of the nuclear gauges is required by the Nuclear Regulatory Commission - NUREG 1556 Volume 1 Rev 2. The ARO will be funded by state appropriations.

The Department of Public Safety (DPS), Office of the Adjutant General, has an ARO of \$30,000 to take two underground storage tanks out of service. The ARO is measured using the current cost for closure and the assets have estimated remaining useful lives of 22 years. Underground storage tanks are regulated under the Missouri Code of State Regulations 10 CSR 26. The ARO will be funded by state appropriations.

The University of Missouri (MU) has an ARO based on its ownership of two nuclear research reactors, which are regulated by the U.S Nuclear Regulatory Commission (NRC). The NRC requires the University to submit decommissioning funding plans every three years to retain the right to operate the reactors. The decommissioning funding plans update and adjust changes in costs to remediate and the extent of the estimated future contamination. The cost to decommission the reactors is based on a formula as set forth by the NRC as part of the licensing of the facilities. The ARO as of the end of fiscal year 2022 was \$62,433,000. The remaining useful lives of the reactors was 20 years.

The balances of the asset retirement obligations (in the thousands of dollars) during the current fiscal year are as follows:

<u>Governmental Activities</u>	<u>ARO Liability at June 30, 2022</u>
DNR	\$ 1,718
MoDOT	64
DPS	30
Total Governmental Activities	<u>\$ 1,812</u>
 <u>Business-Type Activities</u>	
DNR	<u>\$ 2</u>
 <u>Component Units</u>	
MU	<u>\$ 62,433</u>

**Note 24 - Contingencies**

**Contingent Claims Liabilities**

Contingent claims liabilities are reported when it is probable a loss has occurred and the amount can be reasonably estimated. These losses include estimates of claims which have been incurred but not reported, including the effects of specific, incremental claim adjustment expenditures/expenses, salvage, subrogation, and other allocated or unallocated claim adjustment expenditures/expenses. Liabilities of governmental funds are reported as a reconciling item to the Government-Wide Statement of Net Position. Expenditures are recognized as payments are made.

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 24 - Contingencies (cont.)**

As of June 30, 2022, the amount of contingent liabilities was \$70.0 million. Changes in reported liability since June 30, 2021, resulted from the following (in thousands of dollars):

	Beginning of Fiscal Year Liability*	Current Year Claims and Changes in Estimates	Claim Payments	Balance Fiscal Year End
2021-2022	\$ 41,742	\$ 39,818	\$ (11,537)	\$ 70,023
2020-2021	27,830	19,385	(5,473)	41,742
2019-2020	30,405	7,859	(10,434)	27,830

\*Restated.

Section 287.220.8, RSMo, requires an actuarial study of the Second Injury Fund be made every year to determine solvency of the fund. Figures presented below for current year claims and changes in estimates are based on the 2021 actuarial study. As at June 30, 2022, the amount of liabilities for Second Injury Fund was \$2.3 billion. Changes in reported liability since June 30, 2021, resulted from the following (in thousands of dollars):

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance Fiscal Year End
2021-2022	\$ 2,243,668	\$ 140,945	\$ (68,771)	\$ 2,315,842
2020-2021	2,174,003	140,206	(70,541)	2,243,668
2019-2020	2,071,889	178,673	(76,559)	2,174,003

The State receives federal grants which are subject to review and audit by federal grantor agencies. This could result in requests for reimbursements by the grantor agency for expenditures disallowed under grant agreements. The State believes such dis-allowances, if any, would be immaterial in the next fiscal year.

**Tort Claim Lawsuits:**

The Attorney General, on behalf of other state agencies, is involved in litigation for tort claims including wrongful death, motor vehicle accidents, medical malpractice, assault and battery, and deliberate indifference, as well as employment discrimination claims not included in the 2022 liability amount. It is reasonably possible an adverse court decision may incur an estimated loss of \$24.3 million.

**Department of Social Services:**

Little Sisters of the Poor v. Department of Social Services, No. 18AC-CC00262 (Cole County Circuit Court). This petition for review was filed on July 12, 2018, by 335 nursing facilities participating in the MO HealthNet program. They claim that the reduction of a per diem reimbursement rate was invalid and contrary to department regulations. The Cole County Circuit Court entered an order and judgment on May 22, 2019, concluding the department had violated its own regulations, the Medicaid Act requirements that apply to rate reductions, and the Equal Protection Clauses of the United States and Missouri Constitutions. If upheld, the resulting cost to the department and the State would be approximately \$44 million. The State appealed and the Missouri Court of Appeals reversed. The ultimate resolution of the case cannot be predicted with any degree of certainty.



**STATE OF MISSOURI**  
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**Note 24 - Contingencies (cont.)**

HHS Technology Group Holdings, LLC v. State of Missouri v. EngagePoint, Inc., No. 16AC CC00335 (Cole County Circuit Court). Plaintiff EngagePoint filed this lawsuit on August 11, 2016, alleging breach of its contract to serve as the prime contractor for the State's Medicaid Eligibility Determination and Enrollment System (MEDES). The State terminated EngagePoint in May 2015 after EngagePoint failed to complete contractually required work. EngagePoint claims over \$37 million in damages stemming from unpaid change order requests. The State has asserted a counterclaim for over \$80 million based on the difference between the price bid by EngagePoint and the actual cost of completing MEDES using a replacement contractor. Trial was completed in July 2022, and a jury awarded EngagePoint \$23,042,510, along with prejudgment and post-judgment interest of 9%. Post-trial motions were filed and it is anticipated an appeal will be taken. The ultimate resolution of the case cannot be predicted with any degree of certainty.

**Department of Health and Senior Services:**

The Nurse Student Loan Program provides forgivable student loans to eligible Missouri undergraduate, graduate, post-graduate, and doctoral nursing students in exchange for service in underserved communities and facilities in the state. Current annual award levels, based on statute, are a one-time amount of \$2,500 for LPN students and \$5,000 for professional nursing students. Loans are repaid either through service in an underserved area, or via cash repayment at 9.5% simple interest. For repayment via service, participants provide one year of professional service for each school year a loan is received, up to a maximum of 5 years. The number of loans awarded per year varies based upon available funding, number of previous students anticipating continued funding, and number of eligible new applicants.

The Health Professional Student Loan Program is a competitive state program that awards forgivable loans to students pursuing health care training leading to Missouri licensure. Eligible disciplines are primary care physicians, primary care dentists, and dental hygienists. The amount of funding provided depends upon the student's chosen discipline and educational status. Repayment of loans can be completed either through obtaining employment to earn forgiveness or through cash repayment at 9.5% simple interest. Forgiveness is based upon the number of loans received and is earned at a rate of one year of professional service for each loan received, up to a maximum of 5 years. Qualifying employment is considered as full-time, direct patient care at a facility located in an area of need also referred to as a Health Professional Shortage Area.

The purpose of the Missouri Health Professional State Loan Repayment Program is to improve access to primary care by assisting rural and underserved communities with recruitment and retention of primary care providers. SLRP offers eligible healthcare providers an opportunity to receive up to \$50,000 in financial assistance towards the repayment of their qualifying educational loans in exchange for a minimum two-year commitment to provide healthcare services at an ambulatory public, nonprofit or private nonprofit primary care practice site located in a federally designated Health Professional Shortage Area .

The Missouri Nurse Loan Repayment Program offers Registered Nurses and Advanced Practice Registered Nurses an opportunity to receive financial assistance towards the repayment of their qualifying educational loans in exchange for a minimum two-year commitment to provide healthcare services in an area of defined need in the State of Missouri.

For all types of loan programs, in the event of a default, i.e. the loanee does not complete the service agreement, the loan status changes to repayment. In the event the loanee does not repay according to the terms of their agreement, the Department of Health and Senior Services will work with the Attorney General's Office to try to collect the outstanding receivables. The current total amount of loans outstanding is \$5.8 million; the total amount in repayment is \$2.2 million. There is no correlation between who will or will not repay their debt once a default has occurred since it is subject to each individual case and the legal remedies pursued. Therefore the amount of loss cannot be reasonably estimated.

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**Note 24 - Contingencies (cont.)**

**Tobacco Master Settlement Agreement:**

Under the 1998 Tobacco Master Settlement Agreement ("MSA"), Missouri receives annual settlement payments in perpetuity from Participating Manufacturers ("PMs") of tobacco products. Each year on or about April 15th, Missouri receives an annual payment typically between \$120 and \$140 million. Annual MSA payments are subject to a downward adjustment if the PMs lose more than 2% of their pre-MSA market share to Non-Participating Manufacturers ("NPMs"). Individual states may avoid their share of this "NPM Adjustment" by enacting and diligently enforcing model legislation, which imposes certain escrow obligations on NPMs

The tobacco manufacturers contest Missouri's enforcement of the model legislation for 2004 and subsequent years, each of which is subject to binding arbitration. Arbitration regarding diligent enforcement for 2004 is ongoing. The presentation of evidence was completed and the arbitrators found Missouri not diligent. Thus, Missouri is subject to a downward adjustment on the annual payment, but the matter is still subject to review. The ultimate resolution of the 2004 proceeding, the timing of any review of the panel's decision, and the outcome of any subsequent arbitration proceedings cannot be predicted with any degree of certainty.

**Contingent Gains**

Contingencies that might result in gains are not reported on the statements since they are not realizable.

**Natural Resource Settlements:**

The Department of Natural Resources works jointly with the United States Fish and Wildlife Service and United States Forest Service to recover damages from parties responsible for causing injuries to natural resources. Funds from these settlements are typically held in the federal treasury in a joint account administered by the United States Department of Interior. Expenditures of these funds may only be by mutual agreement of the Missouri Trustee Council (the Department of Natural Resources, the United States Fish and Wildlife Service and, at times, United States Forest Service) and such funds may only be used to restore, replace, or acquire natural resources similar to those that were injured. As of June 30, 2022, the balance of Missouri-related joint settlement funds in the Department of Interior restoration fund is approximately \$46.6 million.

**Note 25 - Nonexchange Financial Guarantees**

The following nonexchange financial guarantees are extended by the Missouri Agricultural and Small Business Development Authority (MASBDA) and the Missouri Department of Agriculture (MDA). The exchange financial guarantees are not recognized as a liability, which indicates that the State will most likely not be required to make a payment related to the nonexchange financial guarantees. As of June 30, 2022, the State extends the following financial guarantees:

Programs	Maximum Guarantee Period	Total Number of Loans Outstanding	Total Dollar Amount of Loans Outstanding (in thousands)	Total Dollar Amount Guaranteed by the State (in thousands)
Crop and Livestock Loan Guarantee Program	2 Years	13	34	17

**STATE OF MISSOURI**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 25 - Nonexchange Financial Guarantees (cont.)**

Missouri Value-Added Loan Guarantee Program

The Missouri Value-Added Loan Guarantee Program, authorized in Sections 348.400-348.415, RSMo, provides up to a 50% first-loss guarantee on loans, of \$250,000 or less, made by lenders for the purpose of agricultural business development. The loan guarantee is for a duration of up to 10 years. The program is intended to create new economic activity by creating or retaining jobs. Loans guaranteed by the value-added loan guarantee program can be used to finance agricultural property, which includes land, buildings, structures, improvements, and equipment used for the purpose of processing, manufacturing, marketing, exporting, or adding value to an agricultural product. Loans may also be guaranteed to buy stock in a new generation processing entity that processes an agricultural product. In the event of a default, the MASBDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. As of June 30, 2022, there are three loan defaults under this program. The outstanding balance on judgments for amounts owed to the State totals \$52,000 and there are no outstanding Missouri Value-Added Loan guarantees.

Single-Purpose Animal Facilities Loan Guarantee Program

The Single-Purpose Animal Facilities Loan Guarantee Program, authorized in Sections 348.185-348.225, RSMo, is designed to provide banks and other lenders with a 50% first-loss guarantee on loans of up to \$250,000 for up to 10 years. Independent livestock producers may use the loans to finance, refinance or restructure breeding or feeder livestock, earthworms, land, buildings, facilities, equipment, machinery and animal waste systems for producing poultry, swine, beef and dairy cattle, or other livestock. In the event of a default, the MASBDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. There were no loan defaults under this program in fiscal year 2022, and there were no outstanding Single-Purpose Animal Facilities Loan Guarantees.

Crop and Livestock Loan Guarantee Program

The Crop and Livestock Loan Guarantee Program, authorized in Section 261.027(3), RSMo, is a 50% guarantee on a loan made to a 4-H and Future Farmers of America (FFA) member who borrows money to purchase livestock, input, etc., for their Supervised Agriculture Education (SAE) project. Loans eligible for the program are limited to the purchase of livestock, feed, seed, fertilizer, and other miscellaneous out-of-pocket expenses directly related to the project. In the event of a default, the MDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. As of June 30, 2022, there are four loan defaults under this program. The outstanding balance on judgments for amounts owed to the State totals \$2,600.

**Note 26 - Joint Ventures**

The Regional Convention and Sports Complex Authority was created by state law for the purpose of financing, constructing, operating, and maintaining a multipurpose convention and sports facility to be located in the City of St. Louis. The Authority operates under a board of commissioners of whom five are appointed by the Governor of the State, three by the County Executive of St. Louis County, and three by the Mayor of the City of St. Louis. The Authority is granted all rights and powers necessary to plan, finance, construct, equip, and maintain the facility.

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**Note 26 - Joint Ventures (cont.)**

The Authority is considered a joint venture of the State, County, and City because it constitutes a contractual agreement for public benefit in which the State, County, and City retain an ongoing financial responsibility for the Convention and Sports Facility Project Bonds. In August 1991, the Authority issued \$258,670,000 of Convention and Sports Facility Project Bonds. The bonds were sponsored in the amount of \$132,910,000 by the State (Series A), \$65,685,000 by the County (Series B), and \$60,075,000 by the City (Series C). In December 1993, the Authority issued \$181,885,000 in Convention and Sports Facility Project and Refunding Bonds to advance refund \$101,410,000 and \$50,275,000 of the outstanding 1991 Series A and Series B bonds, respectively, and for additional construction costs. The bonds were sponsored in the amount of \$121,705,000 by the State (Series A) and \$60,180,000 by the County (Series B). In February 1997, the Authority issued \$61,285,000 in Series C refunding bonds to advance refund \$47,155,000 of the outstanding 1991 Series C bonds. In August 2003, the Authority issued \$116,030,000 of Convention and Sports Facility Project and Refunding Bonds Series A 2003 to refund \$2,845,000 and \$113,170,000 of Series A 1991 and Series A 1993 refunding bonds, respectively, and for additional construction costs. In May 2007, the Authority issued \$49,585,000 in Series C 2007 refunding bonds to refund \$61,285,000 of original principal of the Series C 1997 refunding bonds. In August 2013, the Authority issued \$65,195,000 in Series A 2013 refunding bonds to refund \$65,385,000 of Series A 2003 bonds and issued \$32,560,000 in Series B 2013 refunding bonds to refund \$32,180,000 of Series B 2003 bonds.

Pursuant to a financing agreement entered into in August 1991, and terminating in August 2021, the Authority leased the facility to the sponsors who subleased the facility back to the Authority. The payments made by the State, County, and City under the financing agreement are sufficient to pay the principal and interest on the bonds. See *Note 11* for the specific debt service requirements that make up the State's ongoing financial responsibility for this joint venture.

Summary financial information for the Authority as of and for the fiscal year ended December 31, 2021, is presented below (in thousands of dollars):

Total Assets	\$ 143,205
Total Liabilities	\$ 4,013
Total Net Position	139,192
Total Liabilities and Net Position	\$ 143,205
Total Revenues	\$ 24,577
Total Expenses	12,033
Net Increase in Net Position	\$ 12,544

Copies of the Authority's financial statements may be requested from:

St. Louis Regional Convention  
and Sports Complex Authority  
901 North Broadway  
St. Louis, Missouri 63101

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**Note 27 - Endowments**

Donor-restricted endowments for Missouri reside primarily within the higher education institutions, which are reported as a major component unit of the State. For the college and universities, except the University of Missouri, the net appreciation/depreciation of the endowments is \$11,600,000. Of this amount, \$2,374,000 is reported as restricted non-expendable, \$9,271,000 is reported as restricted expendable, and (\$45,000) is reported as unrestricted net position. The University of Missouri reported a net appreciation/depreciation of restricted non-expendable net position in the amount of (\$168,343,000) which consisted of both realized and unrealized gains and losses on investment. For detailed information on the college and universities, please see the individual financial statements. The Revised Statutes of Missouri authorize the acceptance of donations at State agencies or public institutions. The governing boards of these institutions and the donor agreements determine whether net appreciation can be spent and the acceptable spending rate as detailed in Section 402.134, RSMo. These policies are entity specific and vary with each institution.

**Note 28 - Conduit Debt**

As of June 30, 2022, the Missouri Development Finance Board issued \$1,637,968,000 in Private Activity Bonds and \$2,886,034,000 in Public Purpose and Refunding Revenue Bonds. The outstanding balances on these bonds and notes as of June 30, 2022, were approximately \$296,559,000 and \$801,728,000, respectively. The Missouri Development Finance Board and the State have no liability for repayment of these revenue bonds and funding notes aside from reserve fund deposits and, accordingly, these bonds and notes have not been recorded as a liability on the financial statements for the Missouri Development Finance Board. The debtor pays all debt service requirements. Security for the bondholders consists of insurance, letters of credit, annual appropriation pledges, and certain funds held through trustees under the various indentures.

As of June 30, 2022, the State Environmental Improvement and Energy Resources Authority (EIERA), a component unit of the State of Missouri, had an outstanding balance of approximately \$650,325,000 in Tax Exempt Revenue Bonds. Of this outstanding amount, \$307,767,000 is for Water Pollution Control and Drinking Water Revenue Bonds issued on behalf of the Department of Natural Resources. The State of Missouri has no liability for repayment of these revenue bonds beyond the resources provided by related loan programs. The bonds are limited obligations of EIERA.

**Note 29 - Subsequent Events**

Bonds

In August 2022, the Board of Public Buildings defeased \$6,925,000 of Lafferre Hall Project Series A 2015 and \$2,050,000 of State Facilities and Capitol Projects Series A 2018.

In August 2022, the Missouri Development Finance Board defeased \$34,565,000 of Fulton Hospital Series 2014 and \$53,725,000 of Fulton Hospital Series 2016.

On December 14, 2022, the Missouri Highways and Transportation Commission (MHTC) issued \$453,005,000 of Third Lien State Road Bonds, Series A 2022. The bonds bear interest of 4.79%, due in semi-annual installments beginning November 1, 2023. The bonds were issued for the purpose of paying the costs of construction and reconstruction of the State Highway System and paying the costs related to the issuance of the Series A 2022 bonds.

Department of Corrections Settlements

On June 1, 2022, in the lawsuit Hootselle v. Department of Corrections, a Settlement Agreement was entered into and the judgement was signed on October 11, 2022. The Missouri Department of Corrections made total payments of \$51.2 million with future payments of \$12.1 million to be made over the next seven years (see Note 21).

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**Note 29 - Subsequent Events (cont.)**

American Rescue Plan Act

On January 23, 2023, the Governor announced the Department of Economic Development (DED) has awarded a total of \$261 million through the ARPA Broadband Infrastructure Grant Program to 60 recipients for projects that will expand and improve internet access statewide. Projects receiving funds are expected to create more than 55,000 connections in locations that previously lacked adequate internet access.

On January 24, 2023, the Governor announced the Department of Economic Development (DED) has awarded \$30 million through the ARPA Workforce Training Grant Program. The program is focused on helping companies address workforce shortages by recruiting and training thousands of Missourians. The ARPA Workforce Training Grant Program, funded through the American Rescue Plan Act (ARPA), was launched in August 2022. The program awarded competitive grants to a wide range of applicants and will train workers for a variety of industries including childcare, healthcare, broadband deployment, manufacturing, and more. The grant is also aimed at helping those who need it most, encouraging recipients to train at-risk and low-income populations.

2022 Amendment 3

A citizen initiative to amend the Missouri Constitution relating to medical and personal adult use of marijuana was certified for the ballot, appeared on the November 8, 2022 general election ballot and was passed by the voters.

As summarized in the Official Ballot Title, the measure removes state prohibitions on purchasing, possessing, consuming, using, delivering, manufacturing, and selling marijuana for personal use for adults over the age of twenty-one; requires a registration card for personal cultivation with prescribed limits; allows persons with certain marijuana-related non-violent offenses to petition for release from incarceration or parole and probation and have records expunged; establishes a lottery selection process to award licenses and certificates; issues equally distributed licenses to each congressional district; and imposes a 6% tax on the retail price of marijuana to benefit various programs.

Also as summarized by the Official Ballot Title, state governmental entities estimated initial costs of \$3.1 million, initial revenues of at least \$7.9 million, annual costs of \$5.5 million, and annual revenues of at least \$40.8 million. Local governments are estimated to have annual costs of at least \$35,000 and annual revenues of at least \$13.8 million. As of the date of this report, the General Assembly has not appropriated funds for this voter-approved measure.

MOSERS

The Governor and the General Assembly approved an extraordinary payment of \$500 Million to MOSERS for the pension funding plan during the 2022 regular Legislative session. MOSERS received that payment in July of 2022.

Deferred Compensation Match

Effective July 1, 2022, the State of Missouri reinstated the deferred compensation match program. The State of Missouri will match dollar for dollar contributions of at least \$25 a month up to a maximum of \$75 a month.

Universities:

On July 6, 2022, the Missouri State University issued \$13,590,000 of Series A bonds through a private placement with Capital One.

During the 2022-2023 winter break the Southeast Missouri State University experienced various degrees of flooding and water damage in several academic buildings and one residential building. The University immediately opened a claim with its property insurer and is tracking recovery costs.





***Required Supplementary Information (RSI)** includes the Budgetary Comparison Schedule for the General Fund and Major Special Revenue Funds, as well as the Budget to Generally Accepted Accounting Principles (GAAP) reconciliation, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Proportionate Share of the Net Pension Liability, Schedule of State Contributions, Schedule of Changes in Total OPEB Liability and Related Ratios, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Proportionate Share of the Collective Net OPEB Liability, and the Notes to RSI on Budgetary Reporting.*

**STATE OF MISSOURI**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND, MAJOR SPECIAL REVENUE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	General Fund*			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Beginning Budgetary Fund Balance	\$ 4,829,636	\$ 4,829,636	\$ 4,829,636	\$ —
Resources (Inflows):				
Taxes:				
Sales and Use	2,248,760	2,509,768	2,744,473	234,705
Individual Income	8,170,876	9,119,247	9,972,049	852,802
Corporate Income	744,545	830,962	908,671	77,709
County Foreign Insurance	246,910	275,568	301,338	25,770
Beer	5,987	6,682	7,307	625
Liquor	27,519	30,713	33,585	2,872
Cigarette	—	—	—	—
Medical Marijuana	211	235	257	22
Reimbursement/Miscellaneous	114,926	128,265	140,260	11,995
Total Taxes	<u>11,559,734</u>	<u>12,901,440</u>	<u>14,107,940</u>	<u>1,206,500</u>
Licenses, Fees, and Permits	89,728	100,068	109,310	9,242
Sales	2,663	2,962	3,222	260
Leases and Rentals	4	5	5	—
Services	574,486	575,237	525,028	(50,209)
Contributions and Intergovernmental	18,586,458	18,770,714	17,413,562	(1,357,152)
Interest	27,280	30,350	33,038	2,688
Penalties and Unclaimed Property	13,392	14,307	14,636	329
Cost Reimbursement/Miscellaneous	1,406,321	1,424,783	1,329,649	(95,134)
Transfers In	5,166,292	5,478,789	3,404,647	(2,074,142)
Total Resources (Inflows)	<u>37,426,358</u>	<u>39,298,655</u>	<u>36,941,037</u>	<u>(2,357,618)</u>
Amount Available for Appropriation	<u>42,255,994</u>	<u>44,128,291</u>	<u>41,770,673</u>	<u>(2,357,618)</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	2,760,116	2,874,732	2,078,331	796,401
Education	6,164,817	8,899,682	5,998,681	2,901,001
Natural and Economic Resources	1,089,472	1,090,282	594,555	495,727
Transportation and Law Enforcement	1,041,108	891,017	571,670	319,347
Human Services	16,843,327	18,763,630	15,760,000	3,003,630
Debt Service	117,345	118,122	89,742	28,380
Transfers Out	7,089,887	7,421,838	5,350,077	2,071,761
Total Charges to Appropriations	<u>35,106,072</u>	<u>40,059,303</u>	<u>30,443,056</u>	<u>9,616,247</u>
Ending Budgetary Fund Balance	<u>\$ 7,149,922</u>	<u>\$ 4,068,988</u>	<u>\$ 11,327,617</u>	<u>\$ 7,258,629</u>
Reconciling Items:				
Reclassifying Cash Equivalents as Investments			(7,267,776)	
Investments at Fair Value			6,976,831	
Receivables, Net			4,139,432	
Due from Other Funds			—	
Due from Component Units			—	
Inventories			101,545	
Advance to Component Units			—	
Accounts Payable			(1,756,834)	
Accrued Payroll			(64,358)	
Due to Other Funds			(5,167)	
Unearned Revenue			(2,666,566)	
Escheat/Unclaimed Property			(127,351)	
Deferred Inflows of Resources			(1,973,147)	
Fund Balance - GAAP Basis			<u>\$ 8,684,226</u>	

\*Restated



Public Education				Conservation and Environmental Protection			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 224,239	\$ 224,239	\$ 224,239	\$ —	\$ 800,329	\$ 800,329	\$ 800,329	\$ —
1,029,555	1,029,555	1,119,937	90,382	261,139	261,139	266,668	5,529
12,222	12,222	13,295	1,073	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
47,800	47,800	51,996	4,196	—	—	—	—
—	—	—	—	—	—	—	—
329,855	329,855	358,812	28,957	77	77	79	2
1,419,432	1,419,432	1,544,040	124,608	261,216	261,216	266,747	5,531
1,188	1,188	1,292	104	92,668	92,668	94,630	1,962
—	—	—	—	7,615	7,615	7,776	161
32	32	35	3	92	92	94	2
—	—	—	—	—	—	—	—
38,310	38,310	41,673	3,363	100,769	100,769	102,903	2,134
668	668	727	59	5,066	5,066	5,174	108
1,465	1,465	1,594	129	1,555	1,555	1,588	33
47,964	47,964	52,175	4,211	123,528	123,528	126,144	2,616
1,763,469	1,828,662	1,806,978	(21,684)	2,191	2,185	2,185	—
3,272,528	3,337,721	3,448,514	110,793	594,700	594,694	607,241	12,547
3,496,767	3,561,960	3,672,753	110,793	1,395,029	1,395,023	1,407,570	12,547
441	438	109	329	4,212	4,339	3,593	746
2,879,364	3,044,226	2,890,345	153,881	—	—	—	—
27,180	27,180	13,412	13,768	981,179	939,220	433,378	505,842
305	305	132	173	1,007	1,006	512	494
8,026	8,028	4,060	3,968	1,762	1,768	1,135	633
1	1	—	1	—	—	—	—
433,069	436,994	426,743	10,251	64,625	65,801	59,646	6,155
3,348,386	3,517,172	3,334,801	182,371	1,052,785	1,012,134	498,264	513,870
\$ 148,381	\$ 44,788	\$ 337,952	\$ 293,164	\$ 342,244	\$ 382,889	\$ 909,306	\$ 526,417
		(196,452)				(742,360)	
		190,694				700,046	
		178,624				1,518,810	
		43,490				—	
		—				—	
		—				219	
		—				—	
		(629)				(18,377)	
		(170)				(5,790)	
		—				(270)	
		—				(182)	
		—				—	
		(31,283)				(26,959)	
		\$ 522,226				\$ 2,334,443	

**STATE OF MISSOURI**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY REPORTING**  
**June 30, 2022**

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**Budgetary Presentation:**

A Budgetary Comparison Schedule is presented as Required Supplementary Information for the State's General Fund and Major Special Revenue Funds. Revenues and expenditures are reported on a budgetary basis where actual revenues are recognized when cash is received, and actual expenditures are recognized for cash disbursements. The accounting principles applied for reporting on a budgetary basis differ from those used to present the financial statements in accordance with GAAP. A reconciliation of the two for the fiscal year ended June 30, 2022, has been presented at the bottom of the Budgetary Comparison Schedule.

The budgetary expenditures are included in the current year's Appropriation Activity Report, which demonstrates legal compliance with the current year's budget. This report can be viewed at <https://acct.ao.mo.gov/reports/annual-reports/appropriation-activity-reports>. The original budget expenditures and transfers are for what was originally appropriated for each fund. The final budget expenditures and transfers takes into account any increases and decreases to appropriations during the fiscal year less the Governor's amounts reverted (withheld) for each fund less any reappropriations to the next fiscal year.

Once a year, the Office of Administration-Division of Budget and Planning receives budgeted revenues from state agencies for each of their funds as well as a revised revenue estimate in the spring for the State's General Revenue Fund. The revised revenue estimate is used in the final budget column for the General Fund and is very comparable to actual revenue resulting in a small negative variance on this Schedule.

In accordance with State statute, all state funds must have an appropriation before amounts can be expended or transferred to another state fund; therefore, variances between budgeted and actual expenditures and transfers out on the budgetary schedule will always be positive.

For budget purposes, interfund activity is not eliminated. A summary of interfund eliminations at June 30, 2022, is shown below (in thousands):

	Final Budget Transfer		Actual Transfer	
	In	Out	In	Out
GENERAL FUND	\$ 5,003,347	\$ (5,003,347)	\$ 3,134,177	\$ (3,134,177)
SPECIAL REVENUE FUNDS				
Public Education	404,172	(404,172)	394,467	(394,467)
TOTAL	<u>\$ 5,407,519</u>	<u>\$ (5,407,519)</u>	<u>\$ 3,528,644</u>	<u>\$ (3,528,644)</u>

**Budgetary Control:**

Budgetary control is maintained at the departmental level; each Department of the Missouri government formulates a budget to be submitted for approval by the General Assembly prior to the beginning of the fiscal year. These budgets are prepared essentially on the cash basis. The legislature reviews, revises, and legally adopts these budgets. The Governor then has the authority to approve or veto each budget, subject to legislative override.

Budgeted expenditures cannot exceed estimated revenues and other sources of funding, including beginning fund balances. In the event that actual revenues are insufficient to cover budgeted expenditures, the Governor must order budget reductions or call a special session of the legislature to address the issue.

Unexpended appropriations lapse at the end of each appropriation year, unless reappropriated to the following appropriation year.

**STATE OF MISSOURI**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**FISCAL YEARS 2015-2022**  
(In Thousands of Dollars)

	2022**	Judicial Plan* 2021**	2020**
<b>Total Pension Liability</b>			
Service Cost	\$ 12,872	\$ 13,120	\$ 13,574
Interest on the Total Pension Liability	42,005	42,459	41,711
Benefit Changes	—	—	—
Differences between Expected and Actual Experience	(6,886)	(14,934)	979
Changes in Assumptions	(4,929)	6,341	5,024
Benefit Payments, including member refunds	(41,626)	(39,622)	(37,593)
Disability Premiums	—	—	—
Transfers to Other Retirement Systems	—	—	—
<b>Net Change in Total Pension Liability</b>	<b>1,436</b>	<b>7,364</b>	<b>23,695</b>
<b>Total Pension Liability - Beginning</b>	<b>624,848</b>	<b>617,484</b>	<b>593,789</b>
<b>Total Pension Liability - Ending (a)</b>	<b>626,284</b>	<b>624,848</b>	<b>617,484</b>
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	39,996	39,174	38,605
Contributions - Employee	1,448	1,314	1,138
Pension Plan Net Investment Income	44,050	8,163	6,056
Benefit Payments, including member refunds	(41,626)	(39,622)	(37,593)
Disability Premiums	—	—	—
Pension Plan Administrative Expense	(76)	(74)	(72)
Net Transfers	—	—	—
Other	—	—	—
<b>Net Change in Plan Fiduciary Net Position</b>	<b>43,792</b>	<b>8,955</b>	<b>8,134</b>
<b>Beginning*</b>	<b>167,289</b>	<b>158,334</b>	<b>150,200</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>211,081</b>	<b>167,289</b>	<b>158,334</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 415,203</b>	<b>\$ 457,559</b>	<b>\$ 459,150</b>
 <b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	 <b>33.70 %</b>	 <b>26.77 %</b>	 <b>25.64 %</b>
<b>Covered Payroll</b>	<b>\$ 63,096</b>	<b>\$ 61,321</b>	<b>\$ 60,594</b>
 <b>Net Pension Liability as a Percentage of Covered Payroll</b>	 <b>658.05 %</b>	 <b>746.18 %</b>	 <b>757.74 %</b>

\*After post-valuation adjustments.

\*\*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year. The measurement date is as of June 30, except University of Missouri Retirement System which is based on a measurement date of October 1.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

2019**	2018**	2017**	2016**	2015**
\$ 12,997	\$ 12,946	\$ 10,932	\$ 10,614	\$ 8,990
41,019	40,617	37,755	36,162	34,014
—	—	—	—	—
(1,320)	(10,687)	(5,037)	5,103	13,361
12,332	7,906	53,991	—	—
(35,657)	(33,985)	(32,989)	(31,246)	(29,407)
—	—	—	—	—
—	—	—	—	—
29,371	16,797	64,652	20,633	26,958
564,418	547,621	482,969	462,336	435,378
593,789	564,418	547,621	482,969	462,336
36,892	34,247	33,642	32,696	29,265
902	787	661	488	295
10,678	4,680	28	(3,610)	21,395
(35,657)	(33,985)	(32,989)	(31,246)	(29,407)
—	—	—	—	—
(181)	(150)	(137)	(123)	(106)
—	—	—	—	—
(69)	—	—	—	—
12,565	5,579	1,205	(1,795)	21,442
137,635	132,056	130,851	132,646	111,204
150,200	137,635	132,056	130,851	132,646
\$ 443,589	\$ 426,783	\$ 415,565	\$ 352,118	\$ 329,690
25.3 %	24.39 %	24.11 %	27.09 %	28.69 %
\$ 59,417	\$ 58,592	\$ 57,421	\$ 55,656	\$ 49,588
746.73 %	728.40 %	723.72 %	632.66 %	664.86 %

This Schedule is continued on pages 145-148.

Missouri Department of Transportation and Highway Patrol Employees' Retirement System			
	2022**	2021**	2020**
<b>Total Pension Liability</b>			
Service Cost	\$ 43,727	\$ 44,048	\$ 43,971
Interest on the Total Pension Liability	278,523	274,791	271,174
Benefit Changes	—	—	—
Differences between Expected and Actual Experience	(26,472)	3,495	204
Changes in Assumptions	226,320	—	—
Benefit Payments, including member refunds	(266,719)	(263,507)	(256,091)
Disability Premiums	(1,601)	(1,641)	(1,616)
Transfers to Other Retirement Systems	(1,803)	(2,458)	(2,111)
<b>Net Change in Total Pension Liability</b>	251,975	54,728	55,531
<b>Total Pension Liability - Beginning</b>	4,092,098	4,037,370	3,981,839
<b>Total Pension Liability - Ending (a)</b>	4,344,073	4,092,098	4,037,370
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	208,213	210,872	210,167
Contributions - Employee	7,096	6,547	5,996
Pension Plan Net Investment Income	699,644	(10,668)	154,327
Benefit Payments, including member refunds	(266,719)	(263,507)	(256,091)
Disability Premiums	(1,601)	(1,641)	(1,616)
Pension Plan Administrative Expense	(4,585)	(4,291)	(4,373)
Net Transfers	277	1,026	322
Other	—	—	—
<b>Net Change in Plan Fiduciary Net Position</b>	642,325	(61,662)	108,732
<b>Plan Fiduciary Net Position - Beginning*</b>	2,361,600	2,423,262	2,314,530
<b>Plan Fiduciary Net Position - Ending (b)</b>	3,003,925	2,361,600	2,423,262
<b>Net Pension Liability - Ending (a) - (b)</b>	\$ 1,340,148	\$ 1,730,498	\$ 1,614,108
 <b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>			
	69.15 %	57.71 %	60.02 %
<b>Covered Payroll</b>	\$ 359,410	\$ 363,980	\$ 362,748
 <b>Net Pension Liability as a Percentage of Covered Payroll</b>			
	372.87 %	475.44 %	444.97 %

This Schedule is continued from page 144.

2019**	2018**	2017**	2016**	2015**
\$ 46,621	\$ 45,713	\$ 45,441	\$ 45,358	\$ 44,740
286,457	283,569	280,432	275,285	270,526
(7)	—	—	—	—
(37,173)	(37,287)	(39,810)	(13,324)	(17,614)
142,556	—	—	—	—
(254,634)	(246,939)	(236,687)	(237,013)	(227,977)
(1,602)	(1,620)	(1,568)	(1,555)	(1,532)
(2,823)	(2,725)	(1,921)	(3,147)	(1,876)
179,395	40,711	45,887	65,604	66,267
3,802,444	3,761,733	3,715,846	3,650,242	3,583,975
3,981,839	3,802,444	3,761,733	3,715,846	3,650,242
204,955	206,563	199,609	200,639	183,354
5,001	4,892	3,483	3,294	2,260
197,620	220,302	21,432	92,646	319,446
(254,634)	(246,939)	(236,687)	(237,013)	(227,977)
(1,602)	(1,620)	(1,568)	(1,555)	(1,532)
(4,693)	(4,516)	(4,370)	(4,067)	(3,736)
(956)	(981)	808	(2,033)	(92)
(936)	—	—	—	—
144,755	177,701	(17,293)	51,911	271,723
2,169,775	1,992,074	2,009,367	1,957,456	1,685,733
2,314,530	2,169,775	1,992,074	2,009,367	1,957,456
\$ 1,667,309	\$ 1,632,669	\$ 1,769,659	\$ 1,706,479	\$ 1,692,786
58.13 %	57.06 %	52.96 %	54.08 %	53.63 %
\$ 353,751	\$ 356,515	\$ 344,635	\$ 342,265	\$ 336,591
471.32 %	457.95 %	513.49 %	498.58 %	502.92 %

This Schedule is continued on pages 147-148.

	University of Missouri Retirement System		
	2022**	2021**	2020**
<b>Total Pension Liability</b>			
Service Cost	\$ 60,290	\$ 65,786	\$ 66,239
Interest on the Total Pension Liability	343,730	336,697	323,553
Benefit Changes	—	—	—
Differences between Expected and Actual Experience	114,655	(10,821)	68,943
Changes in Assumptions	243,508	—	—
Benefit Payments, including member refunds	(292,357)	(283,941)	(265,991)
Disability Premiums	—	—	—
Transfers to Other Retirement Systems	—	—	—
<b>Net Change in Total Pension Liability</b>	469,826	107,721	192,744
<b>Total Pension Liability - Beginning</b>	4,872,088	4,764,367	4,571,623
<b>Total Pension Liability - Ending (a)</b>	5,341,914	4,872,088	4,764,367
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	114,999	115,006	118,234
Contributions - Employee	14,238	14,981	16,484
Pension Plan Net Investment Income	(107,876)	1,056,355	28,604
Benefit Payments, including member refunds	(292,357)	(283,941)	(265,991)
Disability Premiums	—	—	—
Pension Plan Administrative Expense	—	—	—
Net Transfers	—	—	—
Other	—	—	—
<b>Net Change in Plan Fiduciary Net Position</b>	(270,996)	902,401	(102,669)
<b>Plan Fiduciary Net Position - Beginning*</b>	4,557,145	3,654,744	3,757,413
<b>Plan Fiduciary Net Position - Ending (b)</b>	4,286,149	4,557,145	3,654,744
<b>Net Pension Liability - Ending (a) - (b)</b>	\$ 1,055,765	\$ 314,943	\$ 1,109,623
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	80.24 %	93.54 %	76.71 %
<b>Covered Payroll</b>	\$ 1,025,644	\$ 1,116,123	\$ 1,227,342
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	102.94 %	28.22 %	90.41 %

This Schedule is continued from page 146.

2019**	2018**	2017**	2016**	2015**
\$ 62,845	\$ 63,624	\$ 66,269	\$ 68,328	\$ 70,574
312,921	305,781	296,885	288,438	275,762
—	—	—	—	—
23,046	11,704	(22,741)	(38,227)	13,226
—	257,616	—	—	—
(241,020)	(233,083)	(211,036)	(203,300)	(182,488)
—	—	—	—	—
—	—	—	—	—
157,792	405,642	129,377	115,239	177,074
4,413,831	4,008,189	3,878,812	3,763,573	3,586,499
4,571,623	4,413,831	4,008,189	3,878,812	3,763,573
115,980	92,200	96,631	99,454	103,895
15,989	15,299	15,218	14,976	14,486
183,826	322,297	364,486	6,646	36,412
(241,020)	(233,083)	(211,036)	(203,300)	(182,488)
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
—	—	—	—	(2,150)
74,775	196,713	265,299	(82,224)	(29,845)
3,682,638	3,485,925	3,220,626	3,302,850	3,332,695
3,757,413	3,682,638	3,485,925	3,220,626	3,302,850
\$ 814,210	\$ 731,193	\$ 522,264	\$ 658,186	\$ 460,723
82.19 %	83.43 %	86.97 %	83.03 %	87.76 %
\$ 1,187,435	\$ 1,146,836	\$ 1,144,412	\$ 1,129,784	\$ 1,109,431
68.57 %	63.76 %	45.64 %	58.26 %	41.53 %



**STATE OF MISSOURI**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**FISCAL YEARS 2015-2022**  
**(In Thousands of Dollars)**

	2022*	2021*	2020*
<b><u>Missouri State Employees' Plan</u></b>			
State's proportion of the net pension liability	84.15 %	83.44 %	83.27 %
State's proportionate share of the net pension liability	\$ 4,704,810	\$ 5,296,316	\$ 5,030,722
State's covered payroll	\$ 1,696,219	\$ 1,667,168	\$ 1,617,502
State's proportionate share of the net pension liability as a percentage of its covered payroll	277.37 %	317.68 %	311.02 %
Plan fiduciary net position as a percentage of the total pension liability	63.00 %	55.48 %	56.72 %
<b><u>Judicial Plan</u></b>			
State's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
State's proportionate share of the net pension liability	\$ 415,203	\$ 457,559	\$ 459,150
State's covered payroll	\$ 63,096	\$ 61,321	\$ 60,594
State's proportionate share of the net pension liability as a percentage of its covered payroll	658.05 %	746.18 %	757.74 %
Plan fiduciary net position as a percentage of the total pension liability	33.70 %	26.77 %	25.64 %
<b><u>Missouri Department of Transportation and Highway Patrol Employees' Retirement System</u></b>			
State's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
State's proportionate share of the net pension liability	\$ 1,340,148	\$ 1,730,498	\$ 1,614,108
State's covered payroll	\$ 359,410	\$ 363,980	\$ 362,748
State's proportionate share of the net pension liability as a percentage of its covered payroll	372.87 %	475.44 %	444.97 %
Plan fiduciary net position as a percentage of the total pension liability	69.15 %	57.71 %	60.02 %
<b><u>Missouri State Employees' Plan - Component Units</u></b>			
Component Unit's proportion of the net pension liability	15.52 %	16.24 %	16.40 %
Component Unit's proportionate share of the net pension liability	\$ 867,854	\$ 1,031,118	\$ 990,703
Component Unit's covered payroll	\$ 312,895	\$ 324,582	\$ 318,588
Component Unit's proportionate share of the net pension liability as a percentage of its covered payroll	277.37 %	317.68 %	310.97 %
Plan fiduciary net position as a percentage of the total pension liability	63.00 %	55.48 %	56.72 %
<b><u>University of Missouri Retirement System</u></b>			
University's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
University's proportionate share of the net pension liability	\$ 1,055,765	\$ 314,943	\$ 1,109,623
University's covered payroll	\$ 1,025,644	\$ 1,116,123	\$ 1,227,342
University's proportionate share of the net pension liability as a percentage of its covered payroll	102.94 %	28.22 %	90.41 %
Plan fiduciary net position as a percentage of the total pension liability	80.24 %	93.54 %	76.71 %

\*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year. The measurement date is as of June 30, except University of Missouri Retirement System which is based on a measurement date of October 1.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

	2019*		2018*		2017*		2016*		2015*
	82.84 %		82.19 %		82.21 %		82.26 %		82.45%
\$	4,620,928	\$	4,279,391	\$	3,816,328	\$	2,641,347	\$	1,944,098
\$	1,610,149	\$	1,617,463	\$	1,593,034	\$	1,593,238	\$	1,613,263
	286.99 %		264.57 %		239.56 %		165.78 %		120.51%
	59.02 %		60.41 %		63.60 %		72.62 %		79.49%
	100.00 %		100.00 %		100.00 %		100.00 %		100.00 %
\$	443,589	\$	426,783	\$	415,565	\$	352,118	\$	329,690
\$	59,417	\$	58,592	\$	57,421	\$	55,656	\$	49,588
	746.73 %		728.40 %		723.72 %		632.66 %		664.86 %
	25.30 %		24.39 %		24.11 %		27.09 %		28.69 %
	100.00 %		100.00 %		100.00 %		100.00 %		100.00 %
\$	1,667,309	\$	1,632,669	\$	1,769,659	\$	1,706,479	\$	1,692,786
\$	353,751	\$	356,515	\$	344,635	\$	342,265	\$	336,591
	471.32 %		457.95 %		513.49 %		498.58 %		502.92 %
	58.13 %		57.06 %		52.96 %		54.08 %		53.63 %
	16.82 %		17.44 %		17.41 %		17.38 %		17.19 %
\$	938,355	\$	908,000	\$	808,175	\$	557,955	\$	405,189
\$	326,943	\$	343,472	\$	337,401	\$	336,571	\$	325,490
	287.01 %		264.36 %		239.53 %		165.78 %		124.49 %
	59.02 %		60.41 %		63.60 %		72.62 %		79.49 %
	100.00 %		100.00 %		100.00 %		100.00 %		100.00 %
\$	814,210	\$	731,193	\$	522,264	\$	658,186	\$	460,723
\$	1,187,435	\$	1,146,836	\$	1,144,412	\$	1,129,784	\$	1,109,431
	68.57 %		63.76 %		45.64 %		58.26 %		41.53 %
	82.19 %		83.43 %		86.97 %		83.03 %		87.76 %

**STATE OF MISSOURI  
SCHEDULE OF STATE CONTRIBUTIONS  
PENSION  
FISCAL YEARS 2014-2022  
(In Thousands of Dollars)**

	2022	2021	2020
<b><u>Missouri State Employees' Plan</u></b>			
Required Contributions	\$ 392,186	\$ 388,097	\$ 362,950
Contributions in relation to the required contribution	\$ 392,186	\$ 388,097	\$ 362,950
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 1,668,182	\$ 1,696,219	\$ 1,667,168
Contributions as a percentage of covered payroll	23.51 %	22.88 %	21.77 %
<b><u>Judicial Plan</u></b>			
Required Contributions	\$ 39,268	\$ 39,990	\$ 39,123
Contributions in relation to the required contribution	\$ 39,268	\$ 39,990	\$ 39,123
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 63,398	\$ 63,096	\$ 61,321
Contributions as a percentage of covered payroll	61.94 %	63.38 %	63.80 %
<b><u>Missouri Department of Transportation and Highway Patrol Employees' Retirement System</u></b>			
Required Contributions	\$ 212,711	\$ 208,213	\$ 210,872
Contributions in relation to the required contribution	\$ 212,711	\$ 208,213	\$ 210,872
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 367,493	\$ 359,410	\$ 363,980
Contributions as a percentage of covered payroll	58.00 %	58.00 %	58.00 %
<b><u>Missouri State Employees' Plan - Component Units</u></b>			
Required Contributions	\$ 74,722	\$ 71,589	\$ 70,661
Contributions in relation to the required contribution	\$ 74,722	\$ 71,589	\$ 70,661
Contribution deficiency (excess)	\$ —	\$ —	\$ —
Component Unit's covered payroll	\$ 318,676	\$ 312,895	\$ 324,582
Contributions as a percentage of covered payroll	23.45 %	22.88 %	21.77 %
<b><u>University of Missouri Retirement System</u></b>			
Required Contributions	\$ 114,999	\$ 115,006	\$ 118,234
Contributions in relation to the required contribution	\$ 114,999	\$ 115,006	\$ 118,234
Contribution deficiency (excess)	\$ —	\$ —	\$ —
University's covered payroll	\$ 1,025,644	\$ 1,116,123	\$ 1,227,342
Contributions as a percentage of covered payroll	11.21 %	10.30 %	9.63 %

\*After post-valuation adjustments.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

**Notes to the Schedule:**

**Changes of benefit terms.** There were no changes in benefit terms during the fiscal year ended June 30, 2021.

**Changes of assumptions.**

For MOSERS: Changes in assumptions since the prior year were: the UAAL changed due to actuarial gains/losses; changes in salary to partially reflect observed experience for MSEP and flat 3% for Judicial; the retiree mortality changed to 104% of the Pub-2010 General Members Below Median Table set back 2 years for males and 1 year forward for females, future generational mortality improvement for MSEP is reflected by using 100% of Scale MP-2020 through 2020 and 75% of Scale MP-2020 for years after 2020; the retirement assumption now have separate tables for MSEP, MSEP 2000 and MSEP 2011, rates are now unisex for Judicial; the termination assumption is now a single table and rates are now unisex for MSEP and for Judicial it is flat 2.0%; the disability assumption was adjusted for MSEP and eliminated for Judicial; the percentage of members, assumed to be married decreased to 50% for pre-retirement death benefits and to 65% upon retirement for MSEP, and increased to 90% for Judicial; the military service purchase assumptions was reduced to 3 months for MSEP and MSEP 2000 members; and adjustments made to the loads for estimating the cost of the immediate unreduced survivor annuity payable to a beneficiary for MSEP.

For MPERS: The Board reduced the investment rate of return assumption used in the June 30, 2021 valuation to 6.50%.

For MU: The investment rate of return assumption used in October 1, 2021 actuarial valuation was reduced to 7.00%.

2019*	2018	2017	2016	2015	2014
\$ 326,951	\$ 313,167	\$ 274,510	\$ 270,198	\$ 270,220	\$ 269,106
\$ 326,951	\$ 313,167	\$ 274,510	\$ 270,198	\$ 270,220	\$ 269,106
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$ 1,617,502	\$ 1,610,149	\$ 1,617,463	\$ 1,593,034	\$ 1,593,238	\$ 1,613,263
20.21 %	19.45 %	16.97 %	16.96 %	16.96 %	16.68 %
\$ 38,555	\$ 36,895	\$ 32,671	\$ 33,642	\$ 32,696	\$ 29,265
\$ 38,555	\$ 36,895	\$ 34,247	\$ 33,642	\$ 32,696	\$ 29,265
\$ —	\$ —	\$ (1,576)	\$ —	\$ —	\$ —
\$ 60,594	\$ 59,417	\$ 58,592	\$ 57,421	\$ 55,656	\$ 49,588
63.63 %	62.10 %	58.45 %	58.59 %	58.70 %	59.02 %
\$ 210,167	\$ 204,955	\$ 206,563	\$ 199,609	\$ 200,639	\$ 183,354
\$ 210,167	\$ 204,955	\$ 206,563	\$ 199,609	\$ 200,639	\$ 183,354
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$ 362,748	\$ 353,751	\$ 356,515	\$ 344,635	\$ 342,265	\$ 336,591
58.00 %	58.00 %	58.00 %	58.00 %	58.62 %	54.44 %
\$ 64,387	\$ 63,533	\$ 58,246	\$ 57,219	\$ 57,081	\$ 56,087
\$ 64,387	\$ 63,533	\$ 58,246	\$ 57,219	\$ 57,081	\$ 56,087
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$ 318,588	\$ 326,631	\$ 343,472	\$ 337,401	\$ 336,571	\$ 325,490
20.21 %	19.45 %	16.96 %	16.96 %	16.96 %	17.23 %
\$ 115,980	\$ 92,200	\$ 96,631	\$ 99,454	\$ 103,895	\$ 113,688
\$ 115,980	\$ 92,200	\$ 96,631	\$ 99,454	\$ 103,895	\$ 113,688
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$ 1,187,435	\$ 1,146,836	\$ 1,144,412	\$ 1,129,784	\$ 1,109,431	\$ 1,078,347
9.77 %	8.04 %	8.44 %	8.80 %	9.36 %	10.54 %

**STATE OF MISSOURI**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**FISCAL YEARS 2018-2022**  
**(In Thousands of Dollars)**

	Missouri Department of Transportation and Highway Patrol Medical and Life Insurance Plan				
	2022*	2021	2020	2019	2018
<b>Total OPEB Liability</b>					
Service Cost	\$ 44,538	\$ 29,743	\$ 38,514	\$ 40,070	\$ 49,483
Interest	30,682	37,990	44,435	39,737	35,941
Differences Between Expected and Actual Experience	(28,165)	(3,176)	(52,465)	(1,907)	—
Effect of economic/demographic gains or losses	—	—	—	—	—
Changes of Assumptions or Other Inputs	(13,734)	250,439	(63,896)	(54,900)	(165,036)
Benefit Payments	(23,838)	(23,661)	(23,638)	(23,024)	(21,185)
<b>Net Change in Total OPEB Liability</b>	<b>9,483</b>	<b>291,335</b>	<b>(57,050)</b>	<b>(24)</b>	<b>(100,797)</b>
<b>Total OPEB Liability - Beginning</b>	<b>1,355,660</b>	<b>1,064,325</b>	<b>1,121,375</b>	<b>1,121,399</b>	<b>1,222,196</b>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$1,365,143</b>	<b>\$1,355,660</b>	<b>\$1,064,325</b>	<b>\$1,121,375</b>	<b>\$1,121,399</b>
<b>Covered-Employee Payroll</b>	<b>\$ 366,059</b>	<b>\$ 364,987</b>	<b>\$ 364,538</b>	<b>\$ 355,588</b>	<b>\$ 355,663</b>
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	<b>372.93%</b>	<b>371.43%</b>	<b>291.97%</b>	<b>315.36%</b>	<b>315.30%</b>

\*Based on an actuarial valuation date of July 1, 2021 and measurement date of the preceding fiscal year as of July 1.

\*\*Based on an actuarial valuation date of June 30, 2021, and a measurement date of the current fiscal year as of June 30.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

Conservation Employees' Benefits Plan				
2022**	2021	2020	2019	2018
\$ 4,031	\$ 4,029	\$ 2,501	\$ 2,926	\$ 3,109
3,411	3,363	5,276	5,264	4,975
—	—	—	—	—
(5,674)	—	(36,969)	—	—
(31,215)	1,514	32,152	10,144	(7,665)
(3,128)	(3,171)	(2,961)	(3,375)	(3,006)
(32,575)	5,735	(1)	14,959	(2,587)
155,450	149,715	149,716	134,757	137,344
<u>\$ 122,875</u>	<u>\$ 155,450</u>	<u>\$ 149,715</u>	<u>\$ 149,716</u>	<u>\$ 134,757</u>
\$ 66,717	\$ 55,700	\$ 56,800	\$ 62,766	\$ 62,235
184.17 %	279.08 %	263.58 %	238.53 %	216.53 %

**STATE OF MISSOURI**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**FISCAL YEARS 2018-2022**  
**(In Thousands of Dollars)**

	University of Missouri OPEB Plan				
	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>					
Service Cost	\$ 4,380	\$ 5,115	\$ 4,019	\$ 4,124	\$ 4,991
Interest on the Total OPEB Liability	5,399	8,905	17,004	18,248	17,434
Differences between Expected and Actual Experience	(1,786)	(14,091)	(4,425)	31,459	—
Changes in Assumptions	(46,087)	(135,163)	(81,032)	(17,565)	(18,998)
Benefit Payments, including member refunds	(15,512)	(18,438)	(20,652)	(23,206)	(22,828)
<b>Net Change in Total OPEB Liability</b>	(53,606)	(153,672)	(85,086)	13,060	(19,401)
<b>Total OPEB Liability - Beginning</b>	253,308	406,980	492,066	479,006	498,407
<b>Total OPEB Liability - Ending (a)</b>	199,702	253,308	406,980	492,066	479,006
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	15,846	18,551	20,672	23,363	18,590
Contributions - Employee	17,325	18,296	17,763	17,378	16,480
Net Investment Income	98	12	920	1,469	790
Benefit Payments, including refunds of employee contributions	(32,838)	(36,734)	(38,413)	(40,584)	(35,031)
Other	—	—	(2)	(1)	(172)
<b>Net Change in Plan Fiduciary Net Position</b>	431	125	940	1,625	657
<b>Plan Fiduciary Net Position - Beginning</b>	39,491	39,366	38,426	36,801	36,144
<b>Plan Fiduciary Net Position - Ending (b)</b>	39,922	39,491	39,366	38,426	36,801
<b>Net OPEB Liability - Ending (a) - (b)</b>	<u>\$ 159,780</u>	<u>\$ 213,817</u>	<u>\$ 367,614</u>	<u>\$ 453,640</u>	<u>\$ 442,205</u>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	19.99 %	15.59 %	9.67 %	7.81 %	7.68 %
<b>Covered-Employee Payroll</b>	\$ 554,957	\$ 574,498	\$ 612,694	\$ 677,089	\$ 721,517
<b>Net OPEB Liability as a Percentage of Covered-Employee Payroll</b>	28.76 %	37.22 %	60.00 %	67.00 %	61.29 %

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

**STATE OF MISSOURI**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY**  
**FISCAL YEARS 2018-2022**  
**(In Thousands of Dollars)**

	2022*	2021*	2020*	2019*	2018
<b>Missouri Consolidated Health Care Plan</b>					
State's proportion of the collective net OPEB liability	99.61 %	99.61 %	99.61 %	99.59 %	99.56 %
State's proportionate share of the collective net OPEB liability	\$1,699,030	\$1,774,156	\$1,761,801	\$1,745,034	\$1,756,787
State's covered payroll	\$1,717,699	\$1,594,758	\$1,605,629	\$1,597,814	\$1,480,735
State's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	98.91 %	111.25 %	109.73 %	109.21 %	118.64 %
Plan fiduciary net position as a percentage of the total OPEB liability	10.14 %	8.24 %	7.31 %	6.90 %	6.64 %
<b>Missouri Consolidated Health Care Plan - CU</b>					
Component Unit's proportion of the collective net OPEB liability	0.04 %	0.04 %	0.04 %	0.05 %	0.03 %
Component Unit's proportionate share of the collective net OPEB liability	\$ 749	\$ 784	\$ 746	\$ 825	\$ 484
Component Unit's covered payroll	\$ 757	\$ 704	\$ 680	\$ 756	\$ 176
Component Unit's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	98.94 %	111.36 %	109.71 %	109.13 %	275.00 %
Plan fiduciary net position as a percentage of the total OPEB liability	10.14 %	8.24 %	7.31 %	6.90 %	6.64 %

\*Based on a measurement date of the preceding fiscal year and actuarial valuation as of the July 1, 2020.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

**Notes to the Schedules:**

Neither MHPML or CEIP have assets that are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Changes of benefit terms.** There were no changes in benefit terms.

**Changes of assumptions.**

For MCHCP: The discount rate changed from 4.38% to 4.50%, in the July 1, 2021 valuation.

For CEIP: The discount rate changed from 2.16% to 3.54% in the June 30, 2021 valuation.

MHPML: The discount rate changed from 2.21% to 2.16% in the July 1, 2021 valuation.

For MU: Claims and trends for all plans were revised to reflect future expectations. Also, the discount rate used for the valuations was changed from 2.21% to 2.16% in the June 30, 2022 valuation.





***Supplementary Information** includes the Budgetary Comparison Schedule and Reconciliation for the Major Capital Projects Fund (Missouri Road Fund), as well as the Combining and Individual Fund Statements for the General Fund and all Non-Major Funds.*

**STATE OF MISSOURI**  
**SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**MAJOR CAPITAL PROJECTS FUND**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Missouri Road Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Beginning Budgetary Fund Balance	\$ 1,190,401	\$ 1,190,401	\$ 1,190,401	\$ —
Resources (Inflows):				
Taxes:				
Vehicle Sales and Use	180,315	180,315	197,164	16,849
Fuel	112	112	136	24
Total Taxes	180,427	180,427	197,300	16,873
Licenses, Fees, and Permits	87,368	87,368	114,901	27,533
Contributions and				
Intergovernmental	1,183,826	1,183,826	907,839	(275,987)
Interest	4,437	4,437	5,415	978
Cost Reimbursement/Miscellaneous	189,352	189,352	81,600	(107,752)
Bond Sale Proceeds	100,000	100,000	100,000	—
Transfers In	556,628	556,628	547,656	(8,972)
Total Resources (Inflows)	2,302,038	2,302,038	1,954,711	(347,327)
Amount Available for Appropriation	3,492,439	3,492,439	3,145,112	(347,327)
Charges to Appropriations (Outflows):				
Current:				
Transportation and Law				
Enforcement	1,172,701	1,172,701	870,064	302,637
Capital Outlay				
Transportation and Law				
Enforcement	1,350,563	1,350,563	1,002,030	348,533
Debt Service	137,121	137,121	101,735	35,386
Total Charges to Appropriations	2,660,385	2,660,385	1,973,829	686,556
Ending Budgetary Fund Balance	\$ 832,054	\$ 832,054	\$ 1,171,283	\$ 339,229
Reconciling Items:				
Reclassifying Cash Equivalents as Investments			(888,666)	
Investments at Fair Value			936,132	
Receivables, Net			134,622	
Inventories			46,354	
Prepaid Items			495	
Accounts Payable			(122,098)	
Accrued Payroll			(17,871)	
Due to Other Funds			(356)	
Unearned Revenue			(117,169)	
Deferred Inflows of Resources			(12,845)	
Fund Balance - GAAP Basis			\$ 1,129,881	



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## *The Combining and Individual Fund Statements*

### **Major Funds**

**General Fund** - Accounts for all current financial resources not required by law or administrative action to be accounted for in another fund.

### **Non-Major Funds**

This includes all non-major governmental and enterprise funds, as well as the non-major component units. It also includes all internal service and fiduciary funds because the "major fund" classification, created under GASB Statement 34, does not apply to these funds.

A budgetary comparison statement is provided for all non-major governmental funds.

**STATE OF MISSOURI  
BALANCE SHEET  
GENERAL FUND  
June 30, 2022  
(In Thousands of Dollars)**

	General Fund		Totals
	General	Federal	June 30, 2022
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,277,182	\$ 1,782,659	\$ 4,059,841
Investments	3,864,728	3,112,103	6,976,831
Receivables, Net	2,878,974	1,260,458	4,139,432
Inventories	25,934	75,611	101,545
Total Assets	<u>\$ 9,046,818</u>	<u>\$ 6,230,831</u>	<u>\$ 15,277,649</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 769,820	\$ 987,014	\$ 1,756,834
Accrued Payroll	48,526	15,832	64,358
Due to Other Funds	2,319	2,848	5,167
Unearned Revenue	777	2,665,789	2,666,566
Escheat/Unclaimed Property	127,351	—	127,351
Total Liabilities	<u>948,793</u>	<u>3,671,483</u>	<u>4,620,276</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>1,920,515</u>	<u>52,632</u>	<u>1,973,147</u>
<b>FUND BALANCES</b>			
Nonspendable	85,668	75,611	161,279
Restricted	8,664	990,527	999,191
Committed	760,316	—	760,316
Assigned	207,622	—	207,622
Unassigned	5,115,240	1,440,578	6,555,818
Total Fund Balances	<u>6,177,510</u>	<u>2,506,716</u>	<u>8,684,226</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,046,818</u>	<u>\$ 6,230,831</u>	<u>\$ 15,277,649</u>

**STATE OF MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	General Fund			Totals
	General	Federal	Eliminations	June 30, 2022
<b>Revenues:</b>				
Taxes	\$ 12,981,480	\$ —	\$ —	\$ 12,981,480
Licenses, Fees, and Permits	109,622	581	—	110,203
Sales	3,080	27	—	3,107
Leases and Rentals	9	—	—	9
Services	4,736	129,437	—	134,173
Contributions and Intergovernmental	1,923,812	14,708,507	—	16,632,319
Investment Earnings:				
Net Increase (Decrease) in the Fair Value of Investments	(166,367)	(142,970)	—	(309,337)
Interest	40,211	575	—	40,786
Penalties and Unclaimed Properties	62,617	5,015	—	67,632
Cost Reimbursement/Miscellaneous	163,281	160,545	—	323,826
Total Revenues	15,122,481	14,861,717	—	29,984,198
<b>Expenditures:</b>				
Current:				
General Government	716,453	74,693	—	791,146
Education	3,545,167	2,609,606	—	6,154,773
Natural and Economic Resources	56,154	576,232	—	632,386
Transportation and Law Enforcement	115,636	368,968	—	484,604
Human Services	6,444,825	10,121,655	—	16,566,480
Debt Service:				
Principal	73,857	5,595	—	79,452
Interest	23,969	493	—	24,462
Total Expenditures	10,976,061	13,757,242	—	24,733,303
Excess Revenues (Expenditures)	4,146,420	1,104,475	—	5,250,895
<b>Other Financing Sources (Uses):</b>				
Issuance of Notes/Leases/Financed Purchases	10,133	5,142	—	15,275
Sale of Capital Assets	—	182	—	182
Transfers In	238,310	155,230	(345,377)	48,163
Transfers Out	(1,461,240)	(202,787)	345,377	(1,318,650)
Total Other Financing Sources (Uses)	(1,212,797)	(42,233)	—	(1,255,030)
Net Change in Fund Balances	2,933,623	1,062,242	—	3,995,865
Fund Balances - Beginning	3,240,865	1,456,434	—	4,697,299
Increase (Decrease) in Reserve for Inventory	3,022	(11,960)	—	(8,938)
Fund Balances - Ending	\$ 6,177,510	\$ 2,506,716	\$ —	\$ 8,684,226

**STATE OF MISSOURI**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Special Revenue	Debt Service	Capital Projects	Permanent	Totals June 30, 2022
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 353,289	\$ 15,600	\$ 1,048	\$ 5,378	\$ 375,315
Investments	624,116	92,052	10,410	61,785	788,363
Receivables, Net	195,182	18,798	28	1	214,009
Due from Other Funds	777	—	—	—	777
Inventories	6,037	—	—	—	6,037
Total Assets	<u>\$ 1,179,401</u>	<u>\$ 126,450</u>	<u>\$ 11,486</u>	<u>\$ 67,164</u>	<u>\$ 1,384,501</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 57,014	\$ —	\$ 535	\$ —	\$ 57,549
Accrued Payroll	15,061	—	—	—	15,061
Due to Other Funds	984	—	—	—	984
Unearned Revenue	145	—	—	—	145
Total Liabilities	<u>73,204</u>	<u>—</u>	<u>535</u>	<u>—</u>	<u>73,739</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>9,481</u>	<u>23</u>	<u>14</u>	<u>—</u>	<u>9,518</u>
<b>FUND BALANCES</b>					
Nonspendable	6,037	—	—	67,054	73,091
Restricted	323,469	126,427	10,937	—	460,833
Committed	423,317	—	—	—	423,317
Assigned	343,893	—	—	110	344,003
Total Fund Balances	<u>1,096,716</u>	<u>126,427</u>	<u>10,937</u>	<u>67,164</u>	<u>1,301,244</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,179,401</u>	<u>\$ 126,450</u>	<u>\$ 11,486</u>	<u>\$ 67,164</u>	<u>\$ 1,384,501</u>

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Special Revenue	Debt Service	Capital Projects	Permanent	Totals June 30, 2022
<b>Revenues:</b>					
Taxes	\$ 1,003,172	\$ 202,685	\$ —	\$ —	\$ 1,205,857
Licenses, Fees, and Permits	443,554	—	—	—	443,554
Sales	4,846	—	—	—	4,846
Leases and Rentals	1	—	—	—	1
Services	13,483	—	—	—	13,483
Contributions and Intergovernmental	369,085	7,078	—	—	376,163
Investment Earnings:					
Net Increase (Decrease) in the Fair Value of Investments	(28,131)	(5,929)	(628)	(650)	(35,338)
Interest	1,665	1,238	117	2	3,022
Penalties and Unclaimed Properties	3,988	—	—	2,764	6,752
Cost Reimbursement/Miscellaneous	60,402	—	334	—	60,736
Total Revenues	<u>1,872,065</u>	<u>205,072</u>	<u>(177)</u>	<u>2,116</u>	<u>2,079,076</u>
<b>Expenditures:</b>					
Current:					
General Government	388,041	—	3	—	388,044
Education	3,063	—	37	—	3,100
Natural and Economic Resources	243,428	—	9	—	243,437
Transportation and Law Enforcement	415,597	5	—	—	415,602
Human Services	586,283	—	5	—	586,288
Capital Outlay:					
General Government	—	—	9,764	—	9,764
Natural and Economic Resources	—	—	527	—	527
Human Services	—	—	2,735	—	2,735
Debt Service:					
Principal	2,926	176,835	—	—	179,761
Interest	1,201	54,881	—	—	56,082
Total Expenditures	<u>1,640,539</u>	<u>231,721</u>	<u>13,080</u>	<u>—</u>	<u>1,885,340</u>
Excess Revenues (Expenditures)	<u>231,526</u>	<u>(26,649)</u>	<u>(13,257)</u>	<u>2,116</u>	<u>193,736</u>
<b>Other Financing Sources (Uses):</b>					
Issuance of Notes/Leases/Financed Purchases	2,973	—	—	—	2,973
Proceeds from Sale of Capital Assets	9,714	—	—	—	9,714
Transfers In	245,874	24,501	—	—	270,375
Transfers Out	(526,154)	—	—	—	(526,154)
Total Other Financing Sources (Uses)	<u>(267,593)</u>	<u>24,501</u>	<u>—</u>	<u>—</u>	<u>(243,092)</u>
Net Change in Fund Balances	(36,067)	(2,148)	(13,257)	2,116	(49,356)
Fund Balances - Beginning	1,134,614	128,575	24,194	65,048	1,352,431
Increase (Decrease) in Reserve for Inventory	(1,831)	—	—	—	(1,831)
Fund Balances - Ending	<u>\$ 1,096,716</u>	<u>\$ 126,427</u>	<u>\$ 10,937</u>	<u>\$ 67,164</u>	<u>\$ 1,301,244</u>



*The **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The State has numerous individual Special Revenue Funds. Therefore, the funds have been combined into specific functional areas.*



### **Non-Major Special Revenue Funds:**

**Professional Registration** - Provides for the control and regulation of various professions. Each profession has its own fund to account for its operation.

**Judicial Protection and Assistance** - Provides for protection of public employees by the Attorney General's Office, conviction of criminal offenders by prosecuting attorneys and assistance to victims of criminal offenses.

**Agriculture and State Fair** - Provides for inspections of products, market development, and awards for competition at the State Fair.

**Social Assistance** - Provides financial, health, and other services to qualifying individuals.

**Transportation and Law Enforcement** - Provides transportation services, road construction and maintenance, and the enforcement of vehicle laws and traffic safety.

**Unemployment and Workers' Compensation** - Provides for the administration of these laws and benefits to workers who qualify for workers' compensation.

**Reimbursements and Other** - Provides various reimbursements of costs to other governments and various regulatory commissions not included in other functional areas.

**STATE OF MISSOURI  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
June 30, 2022  
(In Thousands of Dollars)**

	Professional Registration	Judicial Protection and Assistance	Agriculture and State Fair	Social Assistance	Transportation and Law Enforcement	Unemployment and Workers' Compensation	Reimbursements and Other	Totals June 30, 2022
<b>ASSETS</b>								
Cash and Cash								
Equivalents	\$ 16,564	\$ 137,885	\$ 7,709	\$ 62,882	\$ 58,650	\$ 29,395	\$ 40,204	\$ 353,289
Investments	28,978	241,207	12,660	109,836	109,794	51,417	70,224	624,116
Receivables, Net	—	1,204	846	12,676	155,124	21,974	3,358	195,182
Due from Other Funds	—	—	—	—	—	777	—	777
Inventories	26	8	19	1,195	4,585	—	204	6,037
Total Assets	<u>\$ 45,568</u>	<u>\$ 380,304</u>	<u>\$ 21,234</u>	<u>\$ 186,589</u>	<u>\$ 328,153</u>	<u>\$ 103,563</u>	<u>\$ 113,990</u>	<u>\$1,179,401</u>
<b>LIABILITIES</b>								
Accounts Payable	\$ 263	\$ 618	\$ 124	\$ 38,125	\$ 9,001	\$ 2,816	\$ 6,067	\$ 57,014
Accrued Payroll	257	460	319	2,617	8,152	468	2,788	15,061
Due to Other Funds	30	364	25	114	309	55	87	984
Unearned Revenue	—	—	—	145	—	—	—	145
Total Liabilities	<u>550</u>	<u>1,442</u>	<u>468</u>	<u>41,001</u>	<u>17,462</u>	<u>3,339</u>	<u>8,942</u>	<u>73,204</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
	<u>—</u>	<u>80</u>	<u>15</u>	<u>2,751</u>	<u>4,355</u>	<u>953</u>	<u>1,327</u>	<u>9,481</u>
<b>FUND BALANCES</b>								
Nonspendable	26	8	19	1,195	4,585	—	204	6,037
Restricted	—	18,784	11,353	81,962	43,803	99,271	68,296	323,469
Committed	13,688	349,482	346	47,331	564	—	11,906	423,317
Assigned	31,304	10,508	9,033	12,349	257,384	—	23,315	343,893
Total Fund Balances	<u>45,018</u>	<u>378,782</u>	<u>20,751</u>	<u>142,837</u>	<u>306,336</u>	<u>99,271</u>	<u>103,721</u>	<u>1,096,716</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 45,568</u>	<u>\$ 380,304</u>	<u>\$ 21,234</u>	<u>\$ 186,589</u>	<u>\$ 328,153</u>	<u>\$ 103,563</u>	<u>\$ 113,990</u>	<u>\$1,179,401</u>

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Professional Registration	Judicial Protection and Assistance	Agriculture and State Fair	Social Assistance	Transportation and Law Enforcement	Unemployment and Workers' Compensation	Reimbursements and Other	Totals June 30, 2022
<b>Revenues:</b>								
Taxes	\$ 358	\$ —	\$ 4,417	\$ 87,871	\$ 805,948	\$ 104,369	\$ 209	\$ 1,003,172
Licenses, Fees, and Permits	19,800	29,349	13,718	32,431	235,210	—	113,046	443,554
Sales	—	1	2,840	1,333	—	—	672	4,846
Leases and Rentals	—	—	—	—	—	—	1	1
Services	—	853	—	12,613	—	—	17	13,483
Contributions and Intergovernmental	—	637	20	366,532	98	—	1,798	369,085
Investment Earnings:								
Net Increase (Decrease) in the Fair Value of Investments	(1,266)	(10,328)	(613)	(4,870)	(5,662)	(2,289)	(3,103)	(28,131)
Interest	—	63	83	505	382	277	355	1,665
Penalties and Unclaimed Properties	231	595	2	593	628	—	1,939	3,988
Cost Reimbursement/Miscellaneous	128	1,266	135	36,008	1,002	698	21,165	60,402
Total Revenues	19,251	22,436	20,602	533,016	1,037,606	103,055	136,099	1,872,065
<b>Expenditures:</b>								
Current:								
General Government	164	140,250	241	2,216	226,773	5,394	13,003	388,041
Education	94	—	—	997	—	1,472	500	3,063
Natural and Economic Resources	21,485	7	19,582	4,456	—	88,485	109,413	243,428
Transportation and Law Enforcement	—	20,087	—	82,700	266,295	—	46,515	415,597
Human Services	—	441	—	582,126	—	—	3,716	586,283
Debt Service:								
Principal	—	20	34	62	1,635	309	866	2,926
Interest	—	7	11	7	923	42	211	1,201
Total Expenditures	21,743	160,812	19,868	672,564	495,626	95,702	174,224	1,640,539
Excess Revenues (Expenditures)	(2,492)	(138,376)	734	(139,548)	541,980	7,353	(38,125)	231,526
<b>Other Financing Sources (Uses):</b>								
Issuance of Notes/Leases/Financed Purchases	—	—	137	222	906	428	1,280	2,973
Proceeds from Sale of Capital Assets	—	41	91	33	9,460	—	89	9,714
Transfers In	20	3,619	27	170,789	642	8,231	62,546	245,874
Transfers Out	(317)	(8)	—	(13,906)	(502,784)	—	(9,139)	(526,154)
Total Other Financing Sources (Uses)	(297)	3,652	255	157,138	(491,776)	8,659	54,776	(267,593)
Net Change in Fund Balances	(2,789)	(134,724)	989	17,590	50,204	16,012	16,651	(36,067)
Fund Balances - Beginning	47,807	513,506	19,761	125,002	258,146	83,259	87,133	1,134,614
Increase (Decrease) in Reserve for Inventory	—	—	1	245	(2,014)	—	(63)	(1,831)
Fund Balances - Ending	\$ 45,018	\$ 378,782	\$ 20,751	\$ 142,837	\$ 306,336	\$ 99,271	\$ 103,721	\$ 1,096,716

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Professional Registration			Judicial Protection and Assistance		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues:</b>						
Taxes:						
Sales and Use	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Cigarette	—	—	—	—	—	—
Fuel	—	—	—	—	—	—
County Foreign Insurance	—	—	—	—	—	—
Liquor/Wine	—	—	—	—	—	—
Medical Marijuana	—	—	—	—	—	—
Reimbursement/Miscellaneous	336	358	22	—	—	—
Total Taxes	336	358	22	—	—	—
Licenses, Fees, and Permits	18,611	19,806	1,195	32,708	29,404	(3,304)
Sales	—	—	—	2	2	—
Leases and Rentals	—	—	—	—	—	—
Services	—	—	—	987	887	(100)
Contributions and Intergovernmental	—	—	—	2,658	2,390	(268)
Interest	—	—	—	60	54	(6)
Penalties and Unclaimed Property	217	231	14	782	702	(80)
Cost Reimbursement/ Miscellaneous	123	131	8	1,416	1,273	(143)
Total Revenues	19,287	20,526	1,239	38,613	34,712	(3,901)
<b>Expenditures:</b>						
Current:						
General Government	50	5	45	147,329	138,664	8,665
Education	151	92	59	—	—	—
Natural and Economic Resources	13,327	9,746	3,581	3,785	7	3,778
Transportation and Law Enforcement	—	—	—	36,354	21,061	15,293
Human Services	—	—	—	788	241	547
Debt Service:	—	—	—	—	—	—
Total Expenditures	13,528	9,843	3,685	188,256	159,973	28,283
Excess Revenues (Expenditures)	5,759	10,683	4,924	(149,643)	(125,261)	24,382
<b>Other Financing Sources (Uses):</b>						
Transfers In	320	20	(300)	131,052	128,795	(2,257)
Transfers Out	(15,248)	(12,170)	3,078	(130,285)	(127,550)	2,735
Total Other Financing Sources (Uses)	(14,928)	(12,150)	2,778	767	1,245	478
Net Change in Fund Balances	(9,169)	(1,467)	7,702	(148,876)	(124,016)	24,860
Fund Balances - Beginning	48,365	48,365	—	514,397	514,397	—
Fund Balances - Ending	\$ 39,196	\$ 46,898	\$ 7,702	\$ 365,521	\$ 390,381	\$ 24,860
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(30,334)			(252,496)	
Investments at Fair Value		28,978			241,207	
Receivables, Net		—			1,204	
Due from Other Funds		—			—	
Inventories		26			8	
Accounts Payable		(263)			(618)	
Accrued Payroll		(257)			(460)	
Due to Other Funds		(30)			(364)	
Unearned Revenue		—			—	
Deferred Inflows of Resources		—			(80)	
Fund Balance per GAAP		\$ 45,018			\$ 378,782	

\*Restated due to the reclassification of Missouri Veterans' Homes as a special revenue fund.

Agriculture and State Fair			Social Assistance*		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	49,899	44,115	(5,784)
—	—	—	—	—	—
—	—	—	—	—	—
4,620	4,501	(119)	—	—	—
—	—	—	12,894	11,399	(1,495)
15	15	—	63,849	56,447	(7,402)
4,635	4,516	(119)	126,642	111,961	(14,681)
13,815	13,461	(354)	36,887	32,611	(4,276)
—	—	—	1,508	1,333	(175)
—	—	—	—	—	—
—	—	—	14,824	13,106	(1,718)
70	68	(2)	422,257	373,306	(48,951)
49	48	(1)	489	432	(57)
2	2	—	629	556	(73)
307	299	(8)	42,156	37,269	(4,887)
18,878	18,394	(484)	645,392	570,574	(74,818)
388	76	312	7,802	5,855	1,947
—	—	—	3,188	1,565	1,623
16,821	11,945	4,876	6,946	4,472	2,474
—	—	—	97,663	57,102	40,561
—	—	—	541,333	447,601	93,732
—	—	—	40	33	7
17,209	12,021	5,188	656,972	516,628	140,344
1,669	6,373	4,704	(11,580)	53,946	65,526
95	91	(4)	285,316	182,702	(102,614)
(5,580)	(4,661)	919	(388,703)	(210,408)	178,295
(5,485)	(4,570)	915	(103,387)	(27,706)	75,681
(3,816)	1,803	5,619	(114,967)	26,240	141,207
16,399	16,399	—	151,574	151,574	—
\$ 12,583	\$ 18,202	\$ 5,619	\$ 36,607	\$ 177,814	\$ 141,207
	(10,493)			(114,932)	
	12,660			109,836	
	846			12,676	
	—			—	
	19			1,195	
	(124)			(38,125)	
	(319)			(2,617)	
	(25)			(114)	
	—			(145)	
	(15)			(2,751)	
	\$ 20,751			\$ 142,837	

This statement is continued on pages 170 - 171

	Transportation and Law Enforcement			Unemployment and Workers' Compensation		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues:</b>						
Taxes:						
Sales and Use	\$ 14,199	\$ 13,772	\$ (427)	\$ —	\$ —	\$ —
Cigarette	—	—	—	—	—	—
Fuel	837,396	812,219	(25,177)	—	—	—
County Foreign Insurance	—	—	—	—	—	—
Liquor/Wine	—	—	—	—	—	—
Medical Marijuana	—	—	—	—	—	—
Reimbursement/Miscellaneous	—	—	—	156,814	105,531	(51,283)
Total Taxes	851,595	825,991	(25,604)	156,814	105,531	(51,283)
Licenses, Fees, and Permits	233,493	226,473	(7,020)	—	—	—
Sales	8,654	8,394	(260)	—	—	—
Leases and Rentals	—	—	—	—	—	—
Services	—	—	—	—	—	—
Contributions and Intergovernmental	552	535	(17)	2,914	1,961	(953)
Interest	352	341	(11)	357	240	(117)
Penalties and Unclaimed Property	679	659	(20)	12,803	8,616	(4,187)
Cost Reimbursement/ Miscellaneous	1,236	1,199	(37)	1,376	926	(450)
Total Revenues	1,096,561	1,063,592	(32,969)	174,264	117,274	(56,990)
<b>Expenditures:</b>						
Current:						
General Government	250,829	231,531	19,298	46,606	5,986	40,620
Education	—	—	—	1,195	938	257
Natural and Economic Resources	—	—	—	126,498	80,275	46,223
Transportation and Law Enforcement	354,107	279,587	74,520	—	—	—
Human Services	—	—	—	—	—	—
Debt Service:	1,203	950	253	5	—	5
Total Expenditures	606,139	512,068	94,071	174,304	87,199	87,105
Excess Revenues (Expenditures)	490,422	551,524	61,102	(40)	30,075	30,115
<b>Other Financing Sources (Uses):</b>						
Transfers In	563,275	561,102	(2,173)	—	—	—
Transfers Out	(1,099,423)	(1,075,886)	23,537	(11,305)	(9,609)	1,696
Total Other Financing Sources (Uses)	(536,148)	(514,784)	21,364	(11,305)	(9,609)	1,696
Net Change in Fund Balances	(45,726)	36,740	82,466	(11,345)	20,466	31,811
Fund Balances - Beginning	130,794	130,794	—	62,752	62,752	—
Fund Balances - Ending	\$ 85,068	\$ 167,534	\$ 82,466	\$ 51,407	\$ 83,218	\$ 31,811
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(108,884)			(53,823)	
Investments at Fair Value		109,794			51,417	
Receivables, Net		155,124			21,974	
Due from Other Funds		—			777	
Inventories		4,585			—	
Accounts Payable		(9,001)			(2,816)	
Accrued Payroll		(8,152)			(468)	
Due to Other Funds		(309)			(55)	
Unearned Revenue		—			—	
Deferred Inflows of Resources		(4,355)			(953)	
Fund Balance per GAAP		\$ 306,336			\$ 99,271	

Reimbursements and Other			Totals		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ 14,199	\$ 13,772	\$ (427)
—	—	—	49,899	44,115	(5,784)
—	—	—	837,396	812,219	(25,177)
342	206	(136)	342	206	(136)
—	—	—	4,620	4,501	(119)
—	—	—	12,894	11,399	(1,495)
—	—	—	221,014	162,351	(58,663)
342	206	(136)	1,140,364	1,048,563	(91,801)
187,713	112,987	(74,726)	523,227	434,742	(88,485)
1,143	688	(455)	11,307	10,417	(890)
2	1	(1)	2	1	(1)
28	17	(11)	15,839	14,010	(1,829)
3,097	1,864	(1,233)	431,548	380,124	(51,424)
503	303	(200)	1,810	1,418	(392)
3,221	1,939	(1,282)	18,333	12,705	(5,628)
35,055	21,101	(13,954)	81,669	62,198	(19,471)
231,104	139,106	(91,998)	2,224,099	1,964,178	(259,921)
46,530	12,070	34,460	499,534	394,187	105,347
500	500	—	5,034	3,095	1,939
110,762	94,109	16,653	278,139	200,554	77,585
100,855	38,637	62,218	588,979	396,387	192,592
5,158	2,748	2,410	547,279	450,590	96,689
45	12	33	1,293	995	298
263,850	148,076	115,774	1,920,258	1,445,808	474,450
(32,746)	(8,970)	23,776	303,841	518,370	214,529
88,470	76,107	(12,363)	1,068,528	948,817	(119,711)
(97,771)	(50,998)	46,773	(1,748,315)	(1,491,282)	257,033
(9,301)	25,109	34,410	(679,787)	(542,465)	137,322
(42,047)	16,139	58,186	(375,946)	(24,095)	351,851
97,500	97,500	—	1,021,781	1,021,781	—
\$ 55,453	\$ 113,639	\$ 58,186	\$ 645,835	\$ 997,686	\$ 351,851
	(73,435)			(644,397)	
	70,224			624,116	
	3,358			195,182	
	—			777	
	204			6,037	
	(6,067)			(57,014)	
	(2,788)			(15,061)	
	(87)			(984)	
	—			(145)	
	(1,327)			(9,481)	
	\$ 103,721			\$ 1,096,716	

This schedule is continued from page 169.



*The **Debt Service Funds** account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.*



**Debt Service Funds:**

**Water Pollution Control Bond and Interest** - Accounts for moneys used to pay the principal of the Water Pollution Control Bonds and the interest thereon.

**Fourth State Building Bond and Interest** - Accounts for moneys used to pay the principal of the Fourth State Building Bonds and the interest thereon.

**Stormwater Control Bond and Interest** - Accounts for moneys used to pay the principal of the Stormwater Control Bonds and the interest thereon.

**Fulton State Hospital Bond and Interest** - Accounts for moneys used to pay the principal of the Fulton State Hospital Bonds and the interest thereon.

**Missouri Road Bond** - Accounts for moneys used to pay bonds issued by the Highway and Transportation Commission.

**STATE OF MISSOURI  
COMBINING BALANCE SHEET  
DEBT SERVICE FUNDS  
June 30, 2022  
(In Thousands of Dollars)**

	Water Pollution Control Bond and Interest	Fourth State Building Bond and Interest	Stormwater Control Bond and Interest	Fulton State Hospital Bond and Interest	Missouri Road Bond	Totals June 30, 2022
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 863	\$ 99	\$ 160	\$ 1,107	\$ 13,371	\$ 15,600
Investments	8,251	942	1,525	10,578	70,756	92,052
Receivables, Net	18	2	3	23	18,752	18,798
Total Assets	<u>\$ 9,132</u>	<u>\$ 1,043</u>	<u>\$ 1,688</u>	<u>\$ 11,708</u>	<u>\$ 102,879</u>	<u>\$ 126,450</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
	<u>\$ 9</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 11</u>	<u>\$ —</u>	<u>\$ 23</u>
<b>FUND BALANCES</b>						
Restricted	<u>9,123</u>	<u>1,042</u>	<u>1,686</u>	<u>11,697</u>	<u>102,879</u>	<u>126,427</u>
Total Fund Balances	<u>9,123</u>	<u>1,042</u>	<u>1,686</u>	<u>11,697</u>	<u>102,879</u>	<u>126,427</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,132</u>	<u>\$ 1,043</u>	<u>\$ 1,688</u>	<u>\$ 11,708</u>	<u>\$ 102,879</u>	<u>\$ 126,450</u>

Note: There were no liabilities for the fiscal year ended June 30, 2022.

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**DEBT SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Water Pollution Control Bond and Interest	Fourth State Building Bond and Interest	Stormwater Control Bond and Interest	Fulton State Hospital Bond and Interest	Missouri Road Bond	Totals June 30, 2022
<b>Revenues:</b>						
Taxes	\$ —	\$ —	\$ —	\$ —	\$ 202,685	\$ 202,685
Contributions and Intergovernmental	—	—	—	—	7,078	7,078
Investment Earnings:						
Net Increase (Decrease) in the Fair Value of Investments	(524)	(50)	(98)	(681)	(4,576)	(5,929)
Interest	63	13	10	73	1,079	1,238
Total Revenues	(461)	(37)	(88)	(608)	206,266	205,072
<b>Expenditures:</b>						
Current:						
Transportation and Law Enforcement	—	—	—	—	5	5
Debt Service:						
Principal	10,860	4,050	1,650	5,910	154,365	176,835
Interest	728	107	128	6,429	47,489	54,881
Total Expenditures	11,588	4,157	1,778	12,339	201,859	231,721
Excess Revenues (Expenditures)	(12,049)	(4,194)	(1,866)	(12,947)	4,407	(26,649)
<b>Other Financing Sources (Uses):</b>						
Transfers In	9,466	1,051	1,762	12,222	—	24,501
Total Other Financing Sources (Uses)	9,466	1,051	1,762	12,222	—	24,501
Net Change in Fund Balances	(2,583)	(3,143)	(104)	(725)	4,407	(2,148)
Fund Balances - Beginning	11,706	4,185	1,790	12,422	98,472	128,575
Fund Balances - Ending	\$ 9,123	\$ 1,042	\$ 1,686	\$ 11,697	\$ 102,879	\$ 126,427

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL DEBT SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Water Pollution Control Bond and Interest			Fourth State Building Bond and Interest		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues:</b>						
Vehicle Sales and Use Tax	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Contributions and Intergovernmental	—	—	—	—	—	—
Interest	65	65	—	16	16	—
Total Revenues	65	65	—	16	16	—
<b>Expenditures:</b>						
Debt Service	11,589	11,589	—	4,157	4,157	—
Total Expenditures	11,589	11,589	—	4,157	4,157	—
Excess Revenues (Expenditures)	(11,524)	(11,524)	—	(4,141)	(4,141)	—
<b>Other Financing Sources (Uses):</b>						
Transfers In	9,553	9,466	(87)	1,061	1,051	(10)
Total Other Financing Sources (Uses)	9,553	9,466	(87)	1,061	1,051	(10)
Net Change in Fund Balances	(1,971)	(2,058)	(87)	(3,080)	(3,090)	(10)
Fund Balances - Beginning	11,735	11,735	—	4,196	4,196	—
Fund Balances - Ending	<u>\$ 9,764</u>	<u>\$ 9,677</u>	<u>\$ (87)</u>	<u>\$ 1,116</u>	<u>\$ 1,106</u>	<u>\$ (10)</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(8,814)			(1,007)	
Investments at Fair Value		8,251			942	
Receivables, Net		18			2	
Deferred Inflows of Resources		(9)			(1)	
Fund Balances - GAAP Basis		<u>\$ 9,123</u>			<u>\$ 1,042</u>	

Stormwater Control Bond and Interest			Fulton State Hospital Bond and Interest		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—
11	11	—	73	73	—
11	11	—	73	73	—
1,778	1,778	—	12,338	12,338	—
1,778	1,778	—	12,338	12,338	—
(1,767)	(1,767)	—	(12,265)	(12,265)	—
1,778	1,762	(16)	12,335	12,222	(113)
1,778	1,762	(16)	12,335	12,222	(113)
11	(5)	(16)	70	(43)	(113)
1,794	1,794	—	12,451	12,451	—
\$ 1,805	\$ 1,789	\$ (16)	\$ 12,521	\$ 12,408	\$ (113)
	(1,629)			(11,301)	
	1,525			10,578	
	3			23	
	(2)			(11)	
	\$ 1,686			\$ 11,697	

This statement is continued on page 178.

	Missouri Road Bond			Totals		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues:</b>						
Vehicle Sales and Use Tax	\$ 185,241	\$ 202,563	\$ 17,322	\$ 185,241	\$ 202,563	\$ 17,322
Contributions and Intergovernmental	7,550	7,694	144	7,550	7,694	144
Interest	495	611	116	660	776	116
Total Revenues	193,286	210,868	17,582	193,451	211,033	17,582
<b>Expenditures:</b>						
Debt Service	201,260	200,101	1,159	231,122	229,963	1,159
Total Expenditures	201,260	200,101	1,159	231,122	229,963	1,159
Excess Revenues (Expenditures)	(7,974)	10,767	18,741	(37,671)	(18,930)	18,741
<b>Other Financing Sources (Uses):</b>						
Transfers In	—	—	—	24,727	24,501	(226)
Total Other Financing Sources (Uses)	—	—	—	24,727	24,501	(226)
Net Change in Fund Balances	(7,974)	10,767	18,741	(12,944)	5,571	18,515
Fund Balances - Beginning	77,761	77,761	—	107,937	107,937	—
Fund Balances - Ending	<u>\$ 69,787</u>	<u>\$ 88,528</u>	<u>\$ 18,741</u>	<u>\$ 94,993</u>	<u>\$ 113,508</u>	<u>\$ 18,515</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(75,157)			(97,908)	
Investments at Fair Value		70,756			92,052	
Receivables, Net		18,752			18,798	
Deferred Inflows of Resources		—			(23)	
Fund Balances - GAAP Basis		<u>\$ 102,879</u>			<u>\$ 126,427</u>	

This statement is continued from page 177.



*The **Capital Projects Funds** account for financial resources to be used for the acquisition or construction of major capital facilities.*

**Non-Major Capital Projects Funds:**

**Board of Public Buildings** - Accounts for bond sale proceeds to be used for renovating state buildings and structures.

**Fulton State Hospital** - Accounts for proceeds from the sale of bonds to be used for the completion of the design and construction of the replacement for Fulton State Hospital.



**STATE OF MISSOURI**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Board of Public Buildings	Fulton State Hospital	Totals June 30, 2022
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 867	\$ 181	\$ 1,048
Investments	8,684	1,726	10,410
Receivables, Net	23	5	28
Total Assets	<u>\$ 9,574</u>	<u>\$ 1,912</u>	<u>\$ 11,486</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 535	\$ —	\$ 535
Total Liabilities	535	—	535
<b>DEFERRED INFLOWS OF RESOURCES</b>	11	3	14
<b>FUND BALANCES</b>			
Restricted	9,028	1,909	10,937
Total Fund Balances	9,028	1,909	10,937
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,574</u>	<u>\$ 1,912</u>	<u>\$ 11,486</u>

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Board of Public Buildings	Fulton State Hospital	Totals  June 30, 2022
<b>Revenues:</b>			
Investment Earnings:			
Net Increase (Decrease) in the Fair Value of Investments	\$ (526)	\$ (102)	\$ (628)
Interest	95	22	117
Cost Reimbursement/Miscellaneous	334	—	334
Total Revenues	(97)	(80)	(177)
<b>Expenditures:</b>			
Current:			
General Government	3	—	3
Education	37	—	37
Natural and Economic Resources	9	—	9
Human Services	—	5	5
Capital Outlay:			
General Government	9,764	—	9,764
Natural and Economic Resources	527	—	527
Human Services	—	2,735	2,735
Total Expenditures	10,340	2,740	13,080
Excess Revenues (Expenditures)	(10,437)	(2,820)	(13,257)
Net Change in Fund Balances	(10,437)	(2,820)	(13,257)
Fund Balances - Beginning	19,465	4,729	24,194
Fund Balances - Ending	\$ 9,028	\$ 1,909	\$ 10,937

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**NON-MAJOR CAPITAL PROJECT FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Board of Public Buildings			Fulton State Hospital		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues:</b>						
Interest	\$ 105	\$ 105	\$ —	\$ 24	\$ 24	\$ —
Cost Reimbursement/Miscellaneous	334	334	—	—	—	—
Total Revenues	439	439	—	24	24	—
<b>Expenditures:</b>						
Current:						
General Government	3	3	—	—	—	—
Education	37	37	—	—	—	—
Natural and Economic Resources	9	9	—	—	—	—
Human Services	105	—	105	5	5	—
Capital Outlays:						
General Government	10,125	9,847	278	—	—	—
Natural and Economic Resources	529	528	1	—	—	—
Human Services	—	—	—	2,735	2,735	—
Total Expenditures	10,808	10,424	384	2,740	2,740	—
Excess Revenues (Expenditures)	(10,369)	(9,985)	384	(2,716)	(2,716)	—
Net Changes in Fund Balances	(10,369)	(9,985)	384	(2,716)	(2,716)	—
Fund Balances - Beginning	20,130	20,130	—	4,741	4,741	—
Fund Balances - Ending	<u>\$ 9,761</u>	<u>\$ 10,145</u>	<u>\$ 384</u>	<u>\$ 2,025</u>	<u>\$ 2,025</u>	<u>\$ —</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(9,278)			(1,844)	
Investments at Fair Value		8,684			1,726	
Receivables, Net		23			5	
Account Payable		(535)			—	
Deferred Inflows of Resources		(11)			(3)	
Fund Balance - GAAP Basis		<u>\$ 9,028</u>			<u>\$ 1,909</u>	

Total		
Budget	Actual	Variance
\$ 129	\$ 129	\$ —
334	334	—
463	463	—
3	3	—
37	37	—
9	9	—
110	5	105
10,125	9,847	278
529	528	1
2,735	2,735	—
13,548	13,164	384
(13,085)	(12,701)	384
(13,085)	(12,701)	384
24,871	24,871	—
\$ 11,786	\$ 12,170	\$ 384
	(11,122)	
	10,410	
	28	
	(535)	
	(14)	
	\$ 10,937	



*The **Permanent Funds** account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs.*

**Permanent Funds:**

**Arrow Rock State Historic Site Endowment** - Accounts for moneys transferred from the State Parks Earnings Fund, as well as other moneys or property received by grant, gift, donation, or bequest specified for the enhancement of the Arrow Rock State Historic Site.

**Confederate Memorial Park** - Accounts for the income from investments acquired by gifts, donations, and bequests to be used for the maintenance of the Confederate Memorial Park.

**State Public School** - Accounts for all moneys, bonds, lands, and other properties belonging to or donated to the State for public school use in establishing and maintaining free public schools.

**Smith Memorial Endowment Trust** - Accounts for moneys bequeathed for the use and benefit of the Crippled Children's Service.

**STATE OF MISSOURI  
COMBINING BALANCE SHEET  
PERMANENT FUNDS  
June 30, 2022  
(In Thousands of Dollars)**

	Arrow Rock State Historic Site Endowment	Confederate Memorial Park	State Public School	Smith Memorial Endowment Trust	Totals June 30, 2022
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 11	\$ 67	\$ 5,167	\$ 133	\$ 5,378
Investments	19	116	61,417	233	61,785
Receivables, Net	—	—	—	1	1
Total Assets	<u>\$ 30</u>	<u>\$ 183</u>	<u>\$ 66,584</u>	<u>\$ 367</u>	<u>\$ 67,164</u>
<b>FUND BALANCES</b>					
Nonspendable	\$ 30	\$ 75	\$ 66,584	\$ 365	\$ 67,054
Assigned	—	108	—	2	110
Total Fund Balances	<u>30</u>	<u>183</u>	<u>66,584</u>	<u>367</u>	<u>67,164</u>
Total Liabilities and Fund Balances	<u>\$ 30</u>	<u>\$ 183</u>	<u>\$ 66,584</u>	<u>\$ 367</u>	<u>\$ 67,164</u>

Note: There were no liabilities for the fiscal year ended June 30, 2022.

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**PERMANENT FUNDS**

**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Arrow Rock State Historic Site Endowment	Confederate Memorial Park	State Public School	Smith Memorial Endowment Trust	Totals June 30, 2022
<b>Revenues:</b>					
Investment Earnings:					
Net Increase (Decrease) in the Fair Value of Investments	\$ —	\$ (5)	\$ (634)	\$ (11)	\$ (650)
Interest	—	—	—	2	2
Penalties and Unclaimed Properties	—	—	2,764	—	2,764
Total Revenues	—	(5)	2,130	(9)	2,116
Net Change in Fund Balances	—	(5)	2,130	(9)	2,116
Fund Balances - Beginning	30	188	64,454	376	65,048
Fund Balances - Ending	\$ 30	\$ 183	\$ 66,584	\$ 367	\$ 67,164

NOTE: There were no expenditures for the fiscal year ended June 30, 2022.



**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL PERMANENT FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Arrow Rock State Historic Site Endowment			Confederate Memorial Park		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues:</b>						
Interest	\$ —	\$ —	\$ —	\$ 1	\$ 1	\$ —
Penalties and Unclaimed Property	—	—	—	—	—	—
Reimbursement/Miscellaneous	—	—	—	—	—	—
Total Revenues	—	—	—	1	1	—
<b>Expenditures:</b>						
Current:						
Human Services	—	—	—	—	—	—
Total Expenditures	—	—	—	—	—	—
Excess Revenues (Expenditures)	—	—	—	1	1	—
<b>Other Financing Sources (Uses):</b>						
Transfers In	—	—	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—	—	—
Net Changes in Fund Balances	—	—	—	1	1	—
Fund Balances - Beginning	30	30	—	188	188	—
Fund Balances - Ending	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ —</u>	<u>\$ 189</u>	<u>\$ 189</u>	<u>\$ —</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(19)			(122)	
Investments at Fair Value		19			116	
Receivable, Net		—			—	
Fund Balance - GAAP Basis		<u>\$ 30</u>			<u>\$ 183</u>	

State Public School			Smith Memorial Endowment Trust		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ 2	\$ 2	\$ —
98	27	(71)	—	—	—
3,140	862	(2,278)	—	—	—
3,238	889	(2,349)	2	2	—
—	—	—	10	—	10
—	—	—	10	—	10
3,238	889	(2,349)	(8)	2	10
3,000	2,736	(264)	—	—	—
3,000	2,736	(264)	—	—	—
6,238	3,625	(2,613)	(8)	2	10
55,709	55,709	—	375	375	—
\$ 61,947	\$ 59,334	\$ (2,613)	\$ 367	\$ 377	\$ 10
	(54,167)			(244)	
	61,417			233	
	—			1	
	\$ 66,584			\$ 367	

This statement is continued on page 191.

	Totals		
	Budget	Actual	Variance
<b>Revenues:</b>			
Interest	\$ 3	\$ 3	\$ —
Penalties and Unclaimed Property	98	27	(71)
Reimbursement/Miscellaneous	3,140	862	(2,278)
Total Revenues	3,241	892	(2,349)
<b>Expenditures:</b>			
Current:			
Human Services	10	—	10
Total Expenditures	10	—	10
Excess Revenues (Expenditures)	3,231	892	(2,339)
<b>Other Financing Sources (Uses):</b>			
Transfers In	3,000	2,736	(264)
Total Other Financing Sources (Uses)	3,000	2,736	(264)
Net Changes in Fund Balances	6,231	3,628	(2,603)
Fund Balances - Beginning	56,302	56,302	—
Fund Balances - Ending	\$ 62,533	\$ 59,930	\$ (2,603)
Reconciling Items:			
Reclassifying Cash Equivalents as Investments		(54,552)	
Investments at Fair Value		61,785	
Receivable, Net		1	
Fund Balance - GAAP Basis		\$ 67,164	

This statement is continued from page 190.



*The **Enterprise Funds** account for operations that are financed and operated in a manner similar to private business enterprises.*

## **Non-Major Enterprise Funds:**

**State Fair Fees** - Accounts for the fairground admission fees used to improve the grounds and to pay the operating costs of the State Fair.

**State Parks** - Accounts for park concessions and contributions which are used to acquire and operate state parks.

**Natural Resources Revolving Services** - Accounts for moneys received from the delivery of services and the sale or resale of maps, plats, reports, studies, records, and other publications and documents.

**Historic Preservation Revolving** - Accounts for gifts, grants, and contributions used to acquire, preserve, restore, maintain, or operate any historical properties.

**Petroleum Storage Tank Insurance** - Accounts for moneys collected from transport load fees and participating owners of petroleum storage tanks for cleanup of contamination caused by releases from petroleum storage tanks.

**State Agency for Surplus Property** - Accounts for the surplus property operation.

**Department of Revenue Information** - Accounts for fees received by the Department of Revenue for publications and used to pay the costs of providing this information.

**Inmate Canteen** - Accounts for sales of the canteen or commissary which is used to improve offender recreational, religious, or education services.

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR ENTERPRISE FUNDS**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	State Fair Fees	State Parks	Natural Resources Revolving Services
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 766	\$ 13,565	\$ 709
Investments	1,341	65,721	1,246
Receivables, Net	379	165	—
Due from Other Funds	7	11	205
Inventories	5	755	5
Total Current Assets	<u>2,498</u>	<u>80,217</u>	<u>2,165</u>
Non-Current Assets:			
Receivables, Net	—	395	—
Capital Assets:			
Non Depreciable Capital Assets	64	35,759	—
Capital Assets being depreciated/amortized	1,674	119,141	17,854
Less Accumulated Depreciation/Amortization	(1,064)	(53,725)	(12,526)
Total Non-Current Assets	<u>674</u>	<u>101,570</u>	<u>5,328</u>
Total Assets	<u>3,172</u>	<u>181,787</u>	<u>7,493</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>230</u>	<u>740</u>	<u>97</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	13	725	51
Accrued Interest Payable	—	303	—
Accrued Payroll	36	56	8
Due to Other Funds	—	4	8
Unearned Revenue	—	—	—
Claims Liability	—	—	—
Lease Liability	—	52	—
Compensated Absences	23	126	12
Bonds Payable	—	2,605	—
Total Current Liabilities	<u>72</u>	<u>3,871</u>	<u>79</u>
Non-Current Liabilities:			
Claims Liability	—	—	—
Lease Liability	—	225	—
Compensated Absences	2	24	2
Asset Retirement Obligations	—	—	2
Net OPEB Liability	291	1,600	47
Net Pension Liability	957	3,763	168
Bonds Payable	—	54,970	—
Discount on Bonds Payable	—	(105)	—
Total Non-Current Liabilities	<u>1,250</u>	<u>60,477</u>	<u>219</u>
Total Liabilities	<u>1,322</u>	<u>64,348</u>	<u>298</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>283</u>	<u>1,210</u>	<u>97</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	674	43,323	5,328
Unrestricted	1,123	73,646	1,867
Total Net Position	<u>\$ 1,797</u>	<u>\$ 116,969</u>	<u>\$ 7,195</u>

					Totals
Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency For Surplus Property	Department of Revenue Information	Inmate Canteen	June 30, 2022
\$ 570	\$ 15,773	\$ 442	\$ 211	\$ 1,866	\$ 33,902
997	29,140	773	375	3,248	102,841
69	2,015	38	10	10	2,686
—	—	—	—	—	223
—	—	—	—	3,920	4,685
1,636	46,928	1,253	596	9,044	144,337
—	—	—	—	—	395
—	—	—	—	—	35,823
587	215	3,445	60	1,494	144,470
(269)	(169)	(2,682)	(60)	(609)	(71,104)
318	46	763	—	885	109,584
1,954	46,974	2,016	596	9,929	253,921
99	734	339	—	1,297	3,536
5	428	9	—	1,697	2,928
—	—	—	—	—	303
9	72	24	—	91	296
—	4	—	—	1	17
—	497	—	—	—	497
—	11,000	—	—	—	11,000
18	27	—	—	15	112
16	195	46	—	150	568
—	—	—	—	—	2,605
48	12,223	79	—	1,954	18,326
—	78,216	—	—	—	78,216
76	—	—	—	30	331
1	—	3	—	—	32
—	—	—	—	—	2
157	857	615	—	306	3,873
401	2,657	1,783	—	1,718	11,447
—	—	—	—	—	54,970
—	—	—	—	—	(105)
635	81,730	2,401	—	2,054	148,766
683	93,953	2,480	—	4,008	167,092
111	786	420	—	1,587	4,494
224	19	763	—	840	51,171
1,035	(47,050)	(1,308)	596	4,791	34,700
\$ 1,259	\$ (47,031)	\$ (545)	\$ 596	\$ 5,631	\$ 85,871

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**NON-MAJOR ENTERPRISE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	State Fair Fees	State Parks	Natural Resources Revolving Services
<b>Operating Revenues:</b>			
Licenses, Fees, and Permits	\$ 3,978	\$ 8,518	\$ 65
Sales	—	924	193
Leases and Rentals	1,174	3,095	—
Cost Reimbursement/Miscellaneous	—	53	18
Total Operating Revenues	<u>5,152</u>	<u>12,590</u>	<u>276</u>
<b>Operating Expenses:</b>			
Cost of Goods Sold	—	—	712
Personal Service	1,508	2,457	330
Operations	2,971	5,065	208
Specific Programs	29	20	—
Depreciation/Amortization	51	4,190	1,309
Other Charges	239	56	1
Total Operating Expenses	<u>4,798</u>	<u>11,788</u>	<u>2,560</u>
Operating Income (Loss)	<u>354</u>	<u>802</u>	<u>(2,284)</u>
<b>Non-Operating Revenues (Expenses):</b>			
Contributions and Intergovernmental	180	899	1,874
Interest Expense	—	(805)	—
Investment Earnings:			
Net Increase (Decrease) in the Fair Value of Investments	(59)	(4,138)	(55)
Interest	10	379	—
Bond Related Expenses	—	(488)	—
Disposal of Capital Assets	—	59	122
Total Non-Operating Revenues (Expenses)	<u>131</u>	<u>(4,094)</u>	<u>1,941</u>
Income (Loss) Before Transfers	485	(3,292)	(343)
Transfers In	—	—	—
Transfers Out	—	—	—
Change in Net Position	<u>485</u>	<u>(3,292)</u>	<u>(343)</u>
Total Net Position - Beginning	<u>1,312</u>	<u>120,261</u>	<u>7,538</u>
Total Net Position - Ending	<u>\$ 1,797</u>	<u>\$ 116,969</u>	<u>\$ 7,195</u>



Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency For Surplus Property	Department of Revenue Information	Inmate Canteen	Totals June 30, 2022
\$ —	\$ 17,270	\$ —	\$ —	\$ —	\$ 29,831
—	—	854	575	29,669	32,215
—	—	—	—	—	4,269
1	—	189	1	1,443	1,705
<u>1</u>	<u>17,270</u>	<u>1,043</u>	<u>576</u>	<u>31,112</u>	<u>68,020</u>
—	—	161	—	25,035	25,908
324	2,717	997	—	4,178	12,511
62	3,909	246	7	1,089	13,557
—	10,388	—	—	1	10,438
19	31	128	—	260	5,988
5	—	4	—	377	682
<u>410</u>	<u>17,045</u>	<u>1,536</u>	<u>7</u>	<u>30,940</u>	<u>69,084</u>
(409)	225	(493)	569	172	(1,064)
—	—	—	—	35	2,988
(2)	(1)	—	—	(2)	(810)
(45)	1,172	(34)	(16)	(142)	(3,317)
7	210	6	—	21	633
—	—	—	—	—	(488)
—	—	166	—	12	359
<u>(40)</u>	<u>1,381</u>	<u>138</u>	<u>(16)</u>	<u>(76)</u>	<u>(635)</u>
(449)	1,606	(355)	553	96	(1,699)
977	—	—	—	—	977
—	—	(30)	(636)	—	(666)
528	1,606	(385)	(83)	96	(1,388)
731	(48,637)	(160)	679	5,535	87,259
<u>\$ 1,259</u>	<u>\$ (47,031)</u>	<u>\$ (545)</u>	<u>\$ 596</u>	<u>\$ 5,631</u>	<u>\$ 85,871</u>

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NON-MAJOR ENTERPRISE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	State Fair Fees	State Parks	Natural Resources Revolving Services
<b>Cash Flows from Operating Activities:</b>			
Receipts from Internal Customers and Users	\$ 112	\$ —	\$ —
Receipts from External Customers and Users	4,856	12,123	258
Payments to Suppliers	(2,987)	(4,780)	(891)
Payments to Employees	(1,415)	(2,270)	(304)
Payments Made for Program Expense	(29)	(20)	—
Other Receipts	—	53	18
Other Payments	(239)	(161)	(1)
Net Cash Provided (Used) by Operating Activities	<u>298</u>	<u>4,945</u>	<u>(920)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Loans Made to Outside Entities	—	—	—
Leases Made to Outside Entities	—	407	—
Due to Other Funds	(3)	(1)	6
Due from Other Funds	(5)	(11)	(53)
Contributions and Intergovernmental	180	899	1,874
Transfers to Other Funds	—	—	—
Transfers from Other Funds	—	—	—
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>172</u>	<u>1,294</u>	<u>1,827</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Interest Expense	—	(502)	—
Purchases and Construction of Capital Assets	(87)	(4,098)	(786)
Lease Downpayment/Obligations	—	(25)	—
Bond Issuance	—	57,087	—
Disposal of Capital Assets	—	—	—
Net Cash Provided (Used) by Capital and Related Financing	<u>(87)</u>	<u>52,462</u>	<u>(786)</u>
<b>Cash Flows from Investing Activities:</b>			
Proceeds from Investment Maturities	—	—	—
Purchase of Investments	(288)	(54,539)	(118)
Interest and Dividends Received	7	255	—
Net Cash Provided (Used) by Investing Activities	<u>(281)</u>	<u>(54,284)</u>	<u>(118)</u>
Net Increase (Decrease) in Cash	102	4,417	3
Cash and Cash Equivalents, Beginning of Year	664	9,148	706
Cash and Cash Equivalents, End of Year	<u>\$ 766</u>	<u>\$ 13,565</u>	<u>\$ 709</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	\$ 354	\$ 802	\$ (2,284)
Depreciation/Amortization Expense	51	4,190	1,309
Changes in Assets and Liabilities:			
Accounts Receivable	(184)	(413)	—
Inventories	—	215	2
Deferred Outflows of Resources	21	(20)	17
Accounts Payable	(16)	70	27
Accrued Payroll	11	—	2
Unearned Revenue	—	(1)	—
Claims Liability	—	—	—
Compensated Absences	21	36	(7)
Discount on Bonds Payable	—	(105)	—
Net OPEB Liability	(19)	(52)	(4)
Net Pension Liability	(168)	(431)	(56)
Deferred Inflows of Resources	227	654	74
Net Cash Provided (Used) by Operating Activities	<u>\$ 298</u>	<u>\$ 4,945</u>	<u>\$ (920)</u>
<b>Non-Cash Financing and Investing Activities:</b>			
Lease and Financed Purchase Issuance	\$ —	\$ 302	\$ —
Increase (Decrease) in Fair Value of Investments	(59)	(4,138)	(55)
Net Non-Cash Financing and Investing Activities	<u>\$ (59)</u>	<u>\$ (3,836)</u>	<u>\$ (55)</u>

Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency for Surplus Property	Department of Revenue Information	Inmate Canteen	Totals June 30, 2022
\$ —	\$ —	\$ 193	\$ —	\$ —	\$ 305
—	17,361	674	577	29,669	65,518
(60)	(4,044)	(409)	(7)	(26,899)	(40,077)
(294)	(2,381)	(890)	—	(3,477)	(11,031)
—	(8,385)	—	—	(1)	(8,435)
1	—	189	1	1,443	1,705
(5)	—	(4)	—	(377)	(787)
<u>(358)</u>	<u>2,551</u>	<u>(247)</u>	<u>571</u>	<u>358</u>	<u>7,198</u>
21	—	—	—	—	21
—	—	—	—	—	407
—	1	—	—	(1)	2
—	—	—	—	—	(69)
—	—	—	—	35	2,988
—	—	(30)	(636)	—	(666)
977	—	—	—	—	977
<u>998</u>	<u>1</u>	<u>(30)</u>	<u>(636)</u>	<u>34</u>	<u>3,660</u>
(2)	(1)	—	—	(2)	(507)
—	(9)	—	—	(272)	(5,252)
(9)	(25)	—	—	(14)	(73)
—	—	—	—	—	57,087
—	—	175	—	—	175
<u>(11)</u>	<u>(35)</u>	<u>175</u>	<u>—</u>	<u>(288)</u>	<u>51,430</u>
—	—	36	29	—	65
(430)	(2,543)	—	—	(172)	(58,090)
6	165	5	—	11	449
<u>(424)</u>	<u>(2,378)</u>	<u>41</u>	<u>29</u>	<u>(161)</u>	<u>(57,576)</u>
205	139	(61)	(36)	(57)	4,712
365	15,634	503	247	1,923	29,190
<u>\$ 570</u>	<u>\$ 15,773</u>	<u>\$ 442</u>	<u>\$ 211</u>	<u>\$ 1,866</u>	<u>\$ 33,902</u>
\$ (409)	\$ 225	\$ (493)	\$ 569	\$ 172	\$ (1,064)
19	31	128	—	260	5,988
—	92	13	2	—	(490)
—	—	—	—	(793)	(576)
7	19	27	—	618	689
2	(135)	(2)	—	18	(36)
1	28	2	—	14	58
—	(1)	—	—	—	(2)
—	2,003	—	—	—	2,003
(1)	136	(4)	—	(95)	86
—	—	—	—	—	(105)
(7)	(46)	(27)	—	(46)	(201)
(59)	(433)	(234)	—	(975)	(2,356)
89	632	343	—	1,185	3,204
<u>\$ (358)</u>	<u>\$ 2,551</u>	<u>\$ (247)</u>	<u>\$ 571</u>	<u>\$ 358</u>	<u>\$ 7,198</u>
\$ 103	\$ —	\$ —	\$ —	\$ 14	\$ 419
(45)	1,172	(34)	(16)	(142)	(3,317)
<u>\$ 58</u>	<u>\$ 1,172</u>	<u>\$ (34)</u>	<u>\$ (16)</u>	<u>\$ (128)</u>	<u>\$ (2,898)</u>



*The **Internal Service Funds** account for the financing of goods or services provided by one department or agency to other departments or agencies of the State on a cost-reimbursement basis.*

## **Internal Service Funds:**

**Natural Resources Cost Allocation** - Accounts for the administrative costs of the Department of Natural Resources.

**Mental Health Interagency Payments** - Accounts for moneys received through interagency agreements for services provided by other agencies.

**State Facility Maintenance and Operation** - Accounts for moneys collected from tenants for rent to cover the costs of operations in state-owned office buildings and institutions, charges to tenants in leased space to cover costs of real estate administrative services, and charges to capital improvement projects to cover the costs of project management services.

**Office of Administration Revolving** - Accounts for the following operations: printing services, flight operations, vehicle management, garage services, data processing and telecommunication services, building and grounds, insurance services, postage, and personnel administration.

**Working Capital Revolving** - Accounts for the operation of correctional industry programs and correctional farm programs.

**General Government Revolving** - Accounts for various service operations of the House of Representatives, Supreme Court, Adjutant General, Senate, Treasurer, and Department of Corrections.

**Social Services Administrative Trust** - Accounts for moneys transferred or paid to the Department of Social Services from any governmental entity or the public for goods and services provided.

**Economic Development Administrative** - Accounts for moneys collected for goods and services provided to other divisions and used to pay the cost of providing such services.

**Professional Registration Fees** - Accounts for moneys received from the professional boards for administrative services.

**Conservation Employees' Insurance Plan** - Accounts for health insurance coverage on a self-insured basis and life insurance coverage by a third party provider for Department of Conservation employees.

**Transportation Self-Insurance Plan** - Accounts for highway and highway patrol moneys used to pay workers' compensation claims. Moneys are also used to pay auto claims against the Department of Transportation.

**Missouri State Employees' Insurance Plan** - Accounts for long-term disability and death benefits provided on a self-insured basis for state employees.

**Missouri Consolidated Health Care Plan** - Accounts for medical care benefits provided on a self-insured basis for active state employees.

**MoDOT and MSHP Medical and Life Insurance Plan** - Accounts for the medical coverage provided on a self-insured basis and death benefits provided on an insured basis to Department of Transportation employees and members of the Missouri State Highway Patrol.

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration Revolving	Working Capital Revolving	General Government Revolving
<b>ASSETS</b>						
Current Assets:						
Cash and Cash Equivalents	\$ 417	\$ 511	\$ 2,054	\$ 11,028	\$ 3,164	\$ 1,648
Investments	751	893	3,593	22,315	5,538	2,881
Restricted:						
Investments	—	—	—	—	—	—
Receivables, Net	—	—	—	4,173	265	50,298
Due from Other Funds	—	57	2	6,736	96	7
Due from Component Units	—	—	—	1	—	—
Inventories	—	—	800	1,511	8,726	2
Prepaid Items	—	—	—	—	—	—
Total Current Assets	1,168	1,461	6,449	45,764	17,789	54,836
Non-Current Assets:						
Investments	—	—	—	—	—	—
Restricted Assets:						
Cash and Cash Equivalents	—	—	—	1,729	—	—
Investments	—	—	—	—	—	—
Receivables, Net	—	—	—	718	—	—
Capital Assets:						
Non Depreciable Capital Assets	63	—	8,309	236	41	—
Capital Assets being depreciated/amortized	9,106	1,553	501,470	145,354	24,490	9,893
Less Accumulated Depreciation/Amortization	(8,136)	(1,552)	(272,740)	(121,105)	(21,856)	(9,817)
Total Non-Current Assets	1,033	1	237,039	26,932	2,675	76
Total Assets	2,201	1,462	243,488	72,696	20,464	54,912
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	3,762	—	11,063	6,830	3,214	19
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	231	43	1,699	2,281	68	470
Accrued Payroll	300	—	857	570	213	—
Due to Other Funds	71	—	58	—	—	131
Unearned Revenue	—	—	—	151	—	—
Claims Liability	—	—	—	—	—	—
Obligations under Financed Purchases	44	—	1,865	3,616	—	—
Lease Liability	57	—	160	94	248	—
Compensated Absences	535	—	1,841	894	446	—
Total Current Liabilities	1,238	43	6,480	7,606	975	601
Non-Current Liabilities:						
Claims Liability	—	—	—	—	—	—
Obligations under Financed Purchases	7	—	17,100	2,702	—	—
Lease Liability	216	—	820	98	38	—
Compensated Absences	121	—	38	300	—	—
Net OPEB Liability	6,547	—	21,383	9,091	6,484	837
Net Pension Liability	17,674	—	51,143	28,454	18,049	1,530
Total Non-Current Liabilities	24,565	—	90,484	40,645	24,571	2,367
Total Liabilities	25,803	43	96,964	48,251	25,546	2,968
<b>DEFERRED INFLOWS OF RESOURCES</b>	4,187	—	12,517	8,641	4,005	33
<b>NET POSITION</b>						
Net Investment in Capital Assets	709	1	217,094	17,975	2,389	76
Restricted for:						
Other Purposes	—	—	—	1,729	—	—
Unrestricted	(24,736)	1,418	(72,024)	2,930	(8,262)	51,854
Total Net Position	\$ (24,027)	\$ 1,419	\$ 145,070	\$ 22,634	\$ (5,873)	\$ 51,930

Social Services Administrative Trust	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals  June 30, 2022
\$ 29 50	\$ 44 78	\$ 153 267	\$ 3,781 5,590	\$ 8,552 10,827	\$ 3,035 —	\$ 191,583 95,584	\$ 8,541 9,377	\$ 234,540 157,744
—	—	—	—	—	—	—	100	100
—	—	—	936	195	874	26,869	2,490	86,100
21	1	—	—	—	—	—	—	6,920
—	—	—	—	—	—	—	—	1
53	1	12	—	—	—	—	—	11,105
—	—	—	—	—	—	196	—	196
153	124	432	10,307	19,574	3,909	314,232	20,508	496,706
—	—	—	—	83,671	—	—	47,721	131,392
—	—	—	—	—	—	—	—	1,729
—	—	—	—	200	—	—	—	200
—	—	—	—	—	—	—	—	718
—	—	21	—	—	—	—	—	8,670
80	147	4,003	—	—	—	3,153	—	699,249
(80)	(142)	(3,041)	—	—	—	(1,659)	—	(440,128)
—	5	983	—	83,871	—	1,494	47,721	401,830
153	129	1,415	10,307	103,445	3,909	315,726	68,229	898,536
1	341	2,231	—	—	—	1,370	—	28,831
19	10	84	16	67	3,784	12,682	57	21,511
—	24	185	—	—	—	—	—	2,149
—	5	31	—	—	—	8,859	—	9,155
—	—	—	76	—	—	20,265	9,029	29,521
—	—	—	4,580	24,527	—	51,903	10,600	91,610
—	—	—	—	—	—	—	—	5,525
—	—	5	—	—	—	230	—	794
—	44	291	—	—	—	1	—	4,052
19	83	596	4,672	24,594	3,784	93,940	19,686	164,317
—	—	—	—	56,200	—	—	—	56,200
—	—	—	—	—	—	—	—	19,809
—	2	6	—	—	—	858	—	2,038
3	—	103	—	—	—	304	—	869
—	978	3,278	—	—	—	—	—	48,598
1	2,661	9,488	—	—	—	7,955	—	136,955
4	3,641	12,875	—	56,200	—	9,117	—	264,469
23	3,724	13,471	4,672	80,794	3,784	103,057	19,686	428,786
1	409	2,528	—	—	—	1,598	—	33,919
—	3	972	—	—	—	406	—	239,625
—	—	—	—	200	—	—	100	2,029
130	(3,666)	(13,325)	5,635	22,451	125	212,035	48,443	223,008
\$ 130	\$ (3,663)	\$ (12,353)	\$ 5,635	\$ 22,651	\$ 125	\$ 212,441	\$ 48,543	\$ 464,662

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration Revolving	Working Capital Revolving	General Government Revolving
<b>Operating Revenues:</b>						
Employer Contributions	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Employee Contributions	—	—	—	—	—	—
Medicare Part D Subsidy	—	—	—	—	—	—
Licenses, Fees, and Permits	—	—	10	—	—	6,884
Sales	—	—	—	—	20,526	6
Leases and Rentals	—	—	65,005	341	36	14
Charges for Services	13,406	6,323	7,109	107,978	—	116
Cost Reimbursement/Miscellaneous	75	—	11	1,372	6	19
Total Operating Revenues	13,481	6,323	72,135	109,691	20,568	7,039
<b>Operating Expenses:</b>						
Cost of Goods Sold	—	—	—	9,677	10,681	—
Personal Service	11,002	—	34,902	21,279	9,295	51
Operations	2,971	—	34,039	60,666	2,301	5,481
Specific Programs	—	5,246	23	—	6	3,366
Insurance Benefits	—	—	—	—	—	—
Depreciation/Amortization	553	—	12,429	11,037	687	7
Other Charges	88	—	81	103	559	2
Total Operating Expenses	14,614	5,246	81,474	102,762	23,529	8,907
Operating Income (Loss)	(1,133)	1,077	(9,339)	6,929	(2,961)	(1,868)
<b>Non-Operating Revenues (Expenses):</b>						
Contributions and Intergovernmental	—	—	73	—	—	32
Interest Expense	(7)	—	(646)	(114)	(7)	—
Investment Earnings:						
Net Increase (Decrease) in the Fair Value of Investments	(33)	(40)	(161)	(989)	(238)	(124)
Interest	—	—	—	147	—	—
Disposal of Capital Assets	(41)	—	10	7	7	14
Total Non-Operating Revenues (Expenses)	(81)	(40)	(724)	(949)	(238)	(78)
Income (Loss) Before Transfers	(1,214)	1,037	(10,063)	5,980	(3,199)	(1,946)
Transfers In	—	—	10	—	—	—
Transfers Out	—	(357)	—	(2,267)	—	(258)
Change in Net Position	(1,214)	680	(10,053)	3,713	(3,199)	(2,204)
Total Net Position - Beginning	(22,813)	739	155,123	18,921	(2,674)	54,134
Total Net Position - Ending	\$ (24,027)	\$ 1,419	\$ 145,070	\$ 22,634	\$ (5,873)	\$ 51,930



Social Services Administrative Trust Fund	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals  June 30, 2022
\$ —	\$ —	\$ —	\$ 13,084	\$ 14,900	\$ 13,023	\$ 429,971	\$ 91,037	\$ 562,015
—	—	—	7,365	—	16,902	70,503	46,934	141,704
—	—	—	—	—	—	—	8,620	8,620
—	—	1	—	—	—	—	—	6,895
—	—	—	—	—	—	—	—	20,532
—	—	—	—	—	—	—	—	65,396
726	938	8,198	—	—	—	—	—	144,794
5	149	3	3,658	333	480	52,474	6,956	65,541
731	1,087	8,202	24,107	15,233	30,405	552,948	153,547	1,015,497
—	—	—	—	—	—	—	—	20,358
9	909	7,047	—	—	205	3,185	—	87,884
749	182	1,432	1,610	1,049	275	1,266	6,202	118,223
—	—	9	—	—	29,925	—	—	38,575
—	—	—	24,573	22,056	—	460,344	151,184	658,157
—	2	225	—	—	—	317	—	25,257
—	3	328	11	—	—	10,209	—	11,384
758	1,096	9,041	26,194	23,105	30,405	475,321	157,386	959,838
(27)	(9)	(839)	(2,087)	(7,872)	—	77,627	(3,839)	55,659
—	—	—	—	—	—	—	—	105
—	—	—	—	—	—	(3,778)	—	(4,552)
(2)	(4)	(12)	(414)	(6,305)	—	—	(3,475)	(11,797)
—	—	—	84	1,238	4	—	699	2,172
(1)	—	6	—	—	—	—	—	2
(3)	(4)	(6)	(330)	(5,067)	4	(3,778)	(2,776)	(14,070)
(30)	(13)	(845)	(2,417)	(12,939)	4	73,849	(6,615)	41,589
—	—	18	—	—	—	—	—	28
—	—	(20)	—	—	—	—	—	(2,902)
(30)	(13)	(847)	(2,417)	(12,939)	4	73,849	(6,615)	38,715
160	(3,650)	(11,506)	8,052	35,590	121	138,592	55,158	425,947
\$ 130	\$ (3,663)	\$ (12,353)	\$ 5,635	\$ 22,651	\$ 125	\$ 212,441	\$ 48,543	\$ 464,662

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration and Revolving	Working Capital Revolving	General Government Revolving
<b>Cash Flows from Operating Activities:</b>						
Receipts from Internal Customers and Users	\$ 13,406	\$ —	\$ 72,066	\$ 100,889	\$ 15,551	\$ —
Receipts from External Customers and Users	—	6,323	58	7,001	5,055	8,276
Payments to Suppliers	(2,851)	(212)	(34,078)	(70,376)	(13,415)	(5,605)
Payments to Employees	(10,234)	—	(32,293)	(19,531)	(8,298)	(32)
Payments Made for Program Expense	—	(5,246)	(23)	—	(6)	(3,366)
Other Receipts	75	—	11	1,372	6	19
Other Payments	(88)	—	(81)	(103)	(559)	(2)
Net Cash Provided (Used) by Operating Activities	308	865	5,660	19,252	(1,666)	(710)
<b>Cash Flows from Non-Capital Financing Activities:</b>						
Due to Other Funds	(5)	—	(14)	—	—	125
Due from Other Funds	—	(57)	53	1,728	197	(1)
Contributions and Intergovernmental	—	—	73	—	—	32
Transfers to Other Funds	—	(357)	—	(2,267)	—	(258)
Transfers from Other Funds	—	—	10	—	—	—
Net Cash Provided (Used) by Non-Capital Financing Activities	(5)	(414)	122	(539)	197	(102)
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Interest Expense	(7)	—	(646)	(114)	(7)	—
Purchases and Construction of Capital Assets	—	—	(781)	(5,528)	(827)	(62)
Lease Downpayment/Obligations	148	—	(155)	(91)	(138)	—
Financed Purchase Downpayment/Obligations	(240)	—	(1,988)	(6,670)	—	—
Disposal of Capital Assets	22	—	—	—	—	—
Net Cash Provided (Used) by Capital and Related Financing Activities	(77)	—	(3,570)	(12,403)	(972)	(62)
<b>Cash Flows from Investing Activities:</b>						
Proceeds from Sales and Investment Maturities	—	—	—	—	1,349	455
Purchase of Investments	(174)	(311)	(1,502)	(4,753)	—	—
Interest and Dividends Received	—	—	—	117	—	—
Investment Fees	—	—	—	—	—	—
Net Cash Provided (Used) by Investing Activities	(174)	(311)	(1,502)	(4,636)	1,349	455
Net Increase (Decrease) in Cash	52	140	710	1,674	(1,092)	(419)
Cash and Cash Equivalents, Beginning of Year	365	371	1,344	11,083	4,256	2,067
Cash and Cash Equivalents, End of Year	\$ 417	\$ 511	\$ 2,054	\$ 12,757	\$ 3,164	\$ 1,648
<b>Reconciliation of Operating Income (Loss) of Net Cash Provided (Used) by Operating Activities:</b>						
Operating Income (Loss)	\$ (1,133)	\$ 1,077	\$ (9,339)	\$ 6,929	\$ (2,961)	\$ (1,868)
Depreciation/Amortization Expense	553	—	12,429	11,037	687	7
Changes in Assets and Liabilities:						
Accounts Receivable	—	—	—	(138)	44	1,256
Inventories	—	—	(200)	43	(434)	—
Deferred Outflows of Resources	(99)	—	40	110	378	7
Prepaid Items	—	—	—	—	—	—
Accounts Payable	120	(212)	161	(76)	1	(124)
Accrued Payroll	32	—	49	87	(6)	(1)
Unearned Revenue	—	—	—	50	—	—
Claims Liability	—	—	—	—	—	—
Compensated Absences	11	—	(67)	86	—	—
Net OPEB Liability	(281)	—	(820)	(482)	(251)	(3)
Net Pension Liability	(2,296)	—	(6,794)	(4,202)	(2,328)	(13)
Deferred Inflows of Resources	3,401	—	10,201	5,808	3,204	29
Net Cash Provided (Used) by Operating Activities	\$ 308	\$ 865	\$ 5,660	\$ 19,252	\$ (1,666)	\$ (710)
<b>Non-Cash Financing and Investing Activities:</b>						
Lease and Financed Purchase Issuance	\$ 187	\$ —	\$ —	\$ 4,522	\$ 317	\$ —
Increase (Decrease) in Fair Value of Investments	(33)	(40)	(161)	(989)	(238)	(124)
Net Non-Cash Financing and Investing Activities	\$ 154	\$ (40)	\$ (161)	\$ 3,533	\$ 79	\$ (124)

Social Services Administrative Trust	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals  June 30, 2022
\$ 723	\$ 727	\$ —	\$ 13,120	\$ 14,705	\$ —	\$ 419,740	\$ 91,037	\$ 741,964
3	211	8,199	7,203	195	29,893	70,503	56,250	199,170
(785)	(181)	(1,425)	(1,628)	(1,015)	(39)	(1,138)	(8,172)	(140,920)
(6)	(860)	(6,468)	—	—	(205)	(3,005)	—	(80,932)
—	—	(9)	(22,715)	(19,142)	(29,925)	(451,189)	(152,484)	(684,105)
5	149	3	3,658	333	480	52,474	6,956	65,541
—	(3)	(328)	(11)	—	—	(10,209)	—	(11,384)
(60)	43	(28)	(373)	(4,924)	204	77,176	(6,413)	89,334
—	2	(15)	—	—	—	(31,366)	—	(31,273)
59	(1)	—	—	—	—	—	—	1,978
—	—	—	—	—	—	—	—	105
—	—	(20)	—	—	—	—	—	(2,902)
—	—	18	—	—	—	—	—	28
59	1	(17)	—	—	—	(31,366)	—	(32,064)
—	—	—	—	—	—	(3,778)	—	(4,552)
—	(2)	(80)	—	—	—	(121)	—	(7,401)
1	(1)	(6)	—	—	—	—	—	(242)
—	—	—	—	—	—	—	—	(8,898)
—	—	—	—	—	—	(224)	—	(202)
1	(3)	(86)	—	—	—	(4,123)	—	(21,295)
—	—	73	1,934	31,993	—	—	19,413	55,217
(2)	(29)	—	—	(32,175)	—	(95,584)	(26,141)	(160,671)
—	—	—	86	1,288	4	—	720	2,215
—	—	—	—	(94)	—	—	(54)	(148)
(2)	(29)	73	2,020	1,012	4	(95,584)	(6,062)	(103,387)
(2)	12	(58)	1,647	(3,912)	208	(53,897)	(12,475)	(67,412)
31	32	211	2,134	12,464	2,827	245,480	21,016	303,681
\$ 29	\$ 44	\$ 153	\$ 3,781	\$ 8,552	\$ 3,035	\$ 191,583	\$ 8,541	\$ 236,269
\$ (27)	\$ (9)	\$ (839)	\$ (2,087)	\$ (7,872)	\$ —	\$ 77,627	\$ (3,839)	\$ 55,659
—	2	225	—	—	—	317	—	25,257
—	—	—	(162)	—	(32)	(10,401)	2,840	(6,593)
47	—	(1)	—	—	—	—	—	(545)
—	6	27	—	—	—	12	—	481
—	—	—	—	—	—	57	—	57
(83)	1	8	(18)	34	236	71	(1,970)	(1,851)
—	(3)	19	—	—	—	—	—	177
—	—	—	36	—	—	170	(2,144)	(1,888)
—	—	—	1,858	2,914	—	9,155	(1,300)	12,627
3	(20)	34	—	—	—	21	—	68
—	(27)	(163)	—	—	—	—	—	(2,027)
(1)	(239)	(1,387)	—	—	—	(1,126)	—	(18,386)
1	332	2,049	—	—	—	1,273	—	26,298
\$ (60)	\$ 43	\$ (28)	\$ (373)	\$ (4,924)	\$ 204	\$ 77,176	\$ (6,413)	\$ 89,334
\$ —	\$ 3	\$ —	\$ —	\$ —	\$ —	\$ 1,312	\$ —	\$ 6,341
(2)	(4)	(12)	(414)	(6,305)	—	—	(3,475)	(11,797)
\$ (2)	\$ (1)	\$ (12)	\$ (414)	\$ (6,305)	\$ —	\$ 1,312	\$ (3,475)	\$ (5,456)



*The **Fiduciary Funds** account for assets held by the State in a trustee or custodial capacity.*

## **Pension (and Other Employee Benefit) Trust Funds:**

### **Missouri State Employees' Retirement System:**

**Missouri State Employees' Plan** - Accounts for retirement, survivor, and disability benefits paid to employees of the State who are not covered under another state-sponsored retirement plan.

**Judicial Plan** - Accounts for retirement, survivor, and disability benefits to judges in the State of Missouri.

**Missouri Department of Transportation and Highway Patrol Employees' Retirement System** - Accounts for retirement, survivor, and disability benefits paid to Department of Transportation employees and members of the Missouri State Highway Patrol.

**Missouri Consolidated Health Care Plan State Retiree Welfare Benefit Trust** - Accounts for health and welfare benefits paid for the exclusive benefit of current and future retired employees of the State who are not covered under another state-sponsored other post-employment benefit plan.

**Missouri State Public Employees' Deferred Compensation Incentive (IRC 401a) Plan** - Accounts for retirement benefits paid to employees of the State.

**Missouri State Public Employees' Deferred Compensation (IRC 457) Plan** - Accounts for deposits from State employees, which are invested for the benefit of the employees until properly authorized to distribute.

## **Private-Purpose Trust Funds:**

**Alternative Care Trust** - Accounts for all moneys received and spent by the Division of Family Services on behalf of children in their custody.

**Unclaimed Property** - Accounts for moneys unpaid or unclaimed within one year after final settlement of any executor or administrator, assignee, sheriff or receiver and all unclaimed deposits, dividends, and interest of banks unable to locate the owners.

## **Custodial Funds:**

**Program** - Accounts for the receipt of various taxes, refundable deposits, and other moneys to be held until the State has the right or obligation to distribute them to various entities or individuals.

**Institution** - Accounts for deposits to various institutional accounts and other receipts held by the State until there is proper authorization to disburse them directly to others.

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Missouri State Employees' Retirement System		Missouri Department of Transportation and Highway Patrol Employees' Retirement System	Missouri Consolidated Health Care Plan State Retiree Welfare Benefit Trust	Missouri State Public Employees' Deferred Compensation		Totals
	Missouri State Employees' Plan	Judicial Plan			401 (a) Plan	457 Plan	June 30, 2022
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 11,923	\$ —	\$ 1,064	\$ 2,851	\$ 806	\$ 1,270	\$ 17,914
Investments at Fair Value	11,964,278	275,439	3,058,469	165,785	612,905	1,882,417	17,959,293
Invested Securities Lending Collateral	—	—	23,800	—	—	—	23,800
Receivables, net	953,219	22,935	118,305	30,549	102	304	1,125,414
Due From Other Funds	—	—	—	8,859	—	—	8,859
Capital Assets:							
Non Depreciable Capital Assets	10,726	—	188	—	—	—	10,914
Capital Assets being depreciated/amortized	8,023	—	4,021	—	—	—	12,044
Less Accumulated Depreciation/Amortization	(4,511)	—	(3,820)	—	—	—	(8,331)
Total Capital Assets, Net	14,238	—	389	—	—	—	14,627
Total Assets	12,943,658	298,374	3,202,027	208,044	613,813	1,883,991	19,149,907
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
	753	17	513	—	20	59	1,362
<b>LIABILITIES</b>							
Accounts Payable	1,084,859	24,909	108,064	268	46	136	1,218,282
Obligations under Repurchase Agreements	3,602,410	82,846	—	—	—	—	3,685,256
Securities Lending Obligation	—	—	24,560	—	—	—	24,560
Unearned Revenue	—	—	—	6,483	—	—	6,483
Claims Liability	—	—	—	7,010	—	—	7,010
Compensated Absences	666	15	239	—	—	—	920
Lease Liability	604	—	—	—	—	—	604
Net OPEB Liability	6,268	145	2,368	—	165	492	9,438
Total Liabilities	4,694,807	107,915	135,231	13,761	211	628	4,952,553
<b>DEFERRED INFLOWS OF RESOURCES</b>							
	1,189	27	116	—	31	93	1,456
Net Position Restricted for Pension Benefits, OPEB, and Deferred Compensation	\$ 8,248,415	\$ 190,449	\$ 3,067,193	\$ 194,283	\$ 613,591	\$ 1,883,329	\$ 14,197,260

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Missouri State Employees' Retirement System		Missouri Department of Transportation and Highway Patrol Employees' Retirement System	Missouri Consolidated Health Care Plan State Retiree Welfare Benefit Trust	Missouri State Public Employees' Deferred Compensation		Totals
	Missouri State Employees' Plan	Judicial Plan			401 (a) Plan	457 Plan	June 30, 2022
<b>Additions:</b>							
Contributions:							
Employer	\$ 471,302	\$ 39,229	\$ 212,711	\$ 73,022	\$ 26	\$ —	\$ 796,290
Plan Member	41,929	1,551	5,900	43,527	—	71,068	163,975
Other	3,495	—	6,756	67,663	1,366	71,166	150,446
Total Contributions	516,726	40,780	225,367	184,212	1,392	142,234	1,110,711
Investment Earnings:							
Increase (Decrease) in Appreciation of Assets	(314,006)	(7,406)	133,305	—	(50,623)	(250,234)	(488,964)
Interest and Dividends	44,938	1,058	58,449	(12,883)	13,440	48,717	153,719
Securities Lending Income	—	—	288	—	—	—	288
Other Income	(418,922)	(9,634)	—	—	—	—	(428,556)
Total Investment Earnings	(687,990)	(15,982)	192,042	(12,883)	(37,183)	(201,517)	(763,513)
Less Investment Expenses:							
Investment Activity Expense	(128,417)	(2,821)	(69,170)	—	—	—	(200,408)
Securities Lending Expense	—	—	(104)	—	—	—	(104)
Total Investment Expense	(128,417)	(2,821)	(69,274)	—	—	—	(200,512)
Net Investment Earnings (Loss)	(816,407)	(18,803)	122,768	(12,883)	(37,183)	(201,517)	(964,025)
Cost Reimbursement/ Miscellaneous	6	—	—	—	488	2,014	2,508
Total Additions	(299,675)	21,977	348,135	171,329	(35,303)	(57,269)	149,194
<b>Deductions:</b>							
Benefits	948,806	42,513	279,638	161,800	47,367	—	1,480,124
Administrative Expenses	8,811	79	5,206	7,706	697	2,814	25,313
Program Distributions	8,417	17	—	—	—	133,863	142,297
Inactive-vested Buyout Payments	696	—	—	—	—	—	696
Service Transfer Payments	4,672	—	—	—	—	—	4,672
Depreciation/Amortization	438	—	23	—	—	—	461
Total Deductions	971,840	42,609	284,867	169,506	48,064	136,677	1,653,563
Change in Net Position	(1,271,515)	(20,632)	63,268	1,823	(83,367)	(193,946)	(1,504,369)
Net Position - Beginning of Year	9,519,930	211,081	3,003,925	192,460	696,958	2,077,275	15,701,629
Net Position - End of Year	\$ 8,248,415	\$ 190,449	\$ 3,067,193	\$ 194,283	\$ 613,591	\$ 1,883,329	\$ 14,197,260

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PRIVATE-PURPOSE TRUST FUNDS**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Alternative Care Trust	Unclaimed Property	Totals June 30, 2022
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,138	\$ 13,900	\$ 15,038
Investments at Fair Value	2,402	24,315	26,717
Assets Held in Escheat	—	22,285	22,285
Receivables, net	104	—	104
Inventories	—	1	1
Capital Assets:			
Capital Assets being depreciated/amortized	—	209	209
Less: Accumulated Depreciation/Amortization	—	(195)	(195)
Total Capital Assets, Net	—	14	14
Total Assets	3,644	60,515	64,159
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	—	333	333
<b>LIABILITIES</b>			
Accounts Payable	904	15	919
Accrued Payroll	—	27	27
Compensated Absences	—	53	53
Net OPEB Liability	—	530	530
Net Pension Liability	—	1,425	1,425
Total Liabilities	904	2,050	2,954
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	—	380	380
<b>NET POSITION</b>			
Net Position Restricted for Other Purposes	\$ 2,740	\$ 58,418	\$ 61,158



**STATE OF MISSOURI**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PRIVATE-PURPOSE TRUST FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Alternative Care Trust	Unclaimed Property	Totals June 30, 2022
<b>Additions:</b>			
Increase (Decrease) in Appreciation of Assets	\$ (105)	\$ (5,018)	\$ (5,123)
Interest	22	11	33
Total Investment Earnings	(83)	(5,007)	(5,090)
Unclaimed Property	—	54,222	54,222
Cost Reimbursement/Miscellaneous	12,273	2	12,275
Total Additions	12,190	49,217	61,407
<b>Deductions:</b>			
Administrative Expenses	—	2,524	2,524
Program Distributions	12,630	46,412	59,042
Depreciation/Amortization	—	10	10
Total Deductions	12,630	48,946	61,576
Change in Net Position	(440)	271	(169)
Net Position - Beginning	3,180	58,147	61,327
Net Position - Ending	\$ 2,740	\$ 58,418	\$ 61,158

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Program	Institution	Totals June 30, 2022
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 62,510	\$ 21,964	\$ 84,474
Investments at Fair Value	792,382	12	792,394
Receivable, net	730,833	—	730,833
Total Assets	1,585,725	21,976	1,607,701
<b>LIABILITIES</b>			
Accounts Payable	44	6	50
Due to Other Governments	9,939	—	9,939
Unearned Revenue	588	—	588
Total Liabilities	10,571	6	10,577
<b>NET POSITION</b>			
Net Position Restricted for Individuals, Organizations, and Other Governments	\$ 1,575,154	\$ 21,970	\$ 1,597,124

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Program	Institution	Totals June 30, 2022
<b>Additions:</b>			
Contributions	\$ 3,286,759	\$ 97,325	\$ 3,384,084
Taxes	5,611,788	—	5,611,788
License, Fees, Permits	128,527	—	128,527
Investment Earnings:			
Increase (Decrease) in Appreciation of Assets	62,057	(7)	62,050
Interest	455	1	456
Investment Expense	(14)	—	(14)
Net Investment Earnings (Loss)	62,498	(6)	62,492
Penalties and Unclaimed Property	571	—	571
Cost Reimbursement/Miscellaneous	837	—	837
Total Additions	9,090,980	97,319	9,188,299
<b>Deductions:</b>			
Administrative Expenses	43,879	—	43,879
Distributions to Other Entities/Individuals	3,287,900	109,179	3,397,079
Distributions to Other Governments	5,516,838	—	5,516,838
Total Deductions	8,848,617	109,179	8,957,796
Change in Net Position	242,363	(11,860)	230,503
Net Position - Beginning	1,332,791	33,830	1,366,621
Net Position - Ending	\$ 1,575,154	\$ 21,970	\$ 1,597,124



*The **Component Units** account for all transactions relating to legally separate entities which, for reporting purposes, are a part of the State.*

### **Non-Major Component Units:**

**Missouri Development Finance Board** - Accounts for moneys from bond proceeds, gifts, and grants to make loans for industrial development.

**Missouri Agricultural and Small Business Development Authority** - Accounts for moneys from bond proceeds, gifts, and grants to make loans for property acquisitions/renovations and pollution control facilities.

**Missouri Transportation Finance Corporation** - Accounts for moneys from federal, state or local sources, and from bond proceeds to be used for projects approved by the Missouri Highways and Transportation Commission.

**Missouri Wine and Grape Board** - Accounts for moneys derived from the privilege of selling wine to be used for marketing development in developing programs for growing, selling, and marketing of grape products grown in Missouri.

**State Environmental Improvement Energy Resources Authority** - Accounts for moneys derived from the issuance of revenue bonds and notes to finance, acquire, construct and equip projects for the purpose of reducing, preventing or controlling pollution and to provide for the development of energy resources of the State of Missouri.

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR COMPONENT UNITS**  
**June 30, 2022**  
**(In Thousands of Dollars)**

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals  June 30, 2022
<b>ASSETS</b>						
Current Assets:						
Cash and Cash Equivalents	\$ 14,485	\$ 832	\$ 32,548	\$ 211	\$ 537	\$ 48,613
Investments	23,588	—	23,066	369	1,681	48,704
Receivables, Net	5,768	83	270	1	590	6,712
Inventories	—	—	—	1	—	1
Restricted Assets:						
Cash and Cash Equivalents	—	1,711	—	—	—	1,711
Investments	—	5,853	—	—	—	5,853
Receivables, net	—	1	5,813	—	—	5,814
Prepaid Items	421	—	—	—	5	426
Total Current Assets	44,262	8,480	61,697	582	2,813	117,834
Non-Current Assets:						
Investments	—	—	25,594	—	—	25,594
Receivables, net	27,741	1,499	—	—	—	29,240
Restricted Assets:						
Cash and Cash Equivalents	8,567	—	—	—	—	8,567
Investments	17,165	—	—	—	—	17,165
Receivables, net	—	—	26,916	—	—	26,916
Capital Assets:						
Non Depreciable Capital Assets	7,220	—	—	—	—	7,220
Capital Assets being depreciated/ amortized	81,722	56	—	44	260	82,082
Less Accumulated Depreciation/ Amortization	(30,318)	(38)	—	(43)	(85)	(30,484)
Total Non-Current Assets	112,097	1,517	52,510	1	175	166,300
Total Assets	156,359	9,997	114,207	583	2,988	284,134
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	267	89	—	195	257	808
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	22	8	13	11	13	67
Accrued Payroll	—	—	—	13	—	13
Interest Payable	15	—	—	—	—	15
Due to Primary Government	—	—	—	1	—	1
Lease Liability	67	—	—	—	38	105
Compensated Absences	43	10	—	21	38	112
Bonds/Notes/Financed Purchase Payable	574	—	—	—	—	574
Total Current Liabilities	721	18	13	46	89	887
Non-Current Liabilities:						
Unearned Revenue	650	—	—	—	—	650
Deposits and Reserves	20,614	—	—	—	—	20,614
Lease Liability	86	—	—	—	135	221
Compensated Absences	5	—	—	11	—	16
Bonds/Notes/Financed Purchase Payable	11,884	—	—	—	—	11,884
Net OPEB Liability	—	205	—	298	246	749
Net Pension Liability	1,517	331	—	754	684	3,286
Total Non-Current Liabilities	34,756	536	—	1,063	1,065	37,420
Total Liabilities	35,477	554	13	1,109	1,154	38,307
<b>DEFERRED INFLOWS OF RESOURCES</b>	7,576	239	—	226	299	8,340
<b>NET POSITION</b>						
Net Investment in Capital Assets	46,015	18	—	1	175	46,209
Restricted for:						
Other Purposes	6,685	7,565	81,382	—	970	96,602
Unrestricted	60,873	1,710	32,812	(558)	647	95,484
Total Net Position	\$ 113,573	\$ 9,293	\$ 114,194	\$ (557)	\$ 1,792	\$ 238,295

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**NON-MAJOR COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals  June 30, 2022
<b>Operating Revenues:</b>						
Licenses, Fees, and Permits	\$ 1,566	\$ 322	\$ 29	\$ 10	\$ 178	\$ 2,105
Interest on Receivables	1,020	—	541	—	—	1,561
Interest on Lease Receivables	281	—	—	—	—	281
Leases and Rentals	5,526	—	—	—	—	5,526
Cost Reimbursement/Miscellaneous	9	—	—	—	5	14
Total Operating Revenues	8,402	322	570	10	183	9,487
<b>Operating Expenses:</b>						
Personal Service	876	246	68	498	383	2,071
Operations	2,172	49	12	1,249	189	3,671
Specific Programs	—	1,988	—	—	843	2,831
Depreciation/Amortization	2,365	9	—	—	26	2,400
Other Charges	62	—	1	37	—	100
Total Operating Expenses	5,475	2,292	81	1,784	1,441	11,073
Operating Income (Loss)	2,927	(1,970)	489	(1,774)	(1,258)	(1,586)
<b>Non-Operating Revenues (Expenses):</b>						
Contributions and Intergovernmental	—	—	—	1,800	969	2,769
Investment Earnings:						
Increase (Decrease) in Fair Value of Investments	(493)	(60)	(1,918)	(17)	(4)	(2,492)
Interest	—	47	616	4	—	667
Interest Expense	(251)	(2)	—	—	—	(253)
Contributions to Others	(404)	—	—	—	—	(404)
Miscellaneous Revenues (Expenses)	22	—	(58)	—	—	(36)
Total Non-Operating Revenues (Expenses)	(1,126)	(15)	(1,360)	1,787	965	251
Change in Net Position	1,801	(1,985)	(871)	13	(293)	(1,335)
Total Net Position - Beginning	111,772	11,278	115,065	(570)	2,085	239,630
Total Net Position - Ending	\$ 113,573	\$ 9,293	\$ 114,194	\$ (557)	\$ 1,792	\$ 238,295

**STATE OF MISSOURI**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NON-MAJOR COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands of Dollars)**

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals June 30, 2022
<b>Cash Flows from Operating Activities:</b>						
Receipts from Customers and Users	\$ 7,668	\$ 275	\$ 587	\$ 10	\$ 6	\$ 8,546
Loans to Outside Entities	—	(1,058)	(12,666)	—	43	(13,681)
Payments to Vendors and Suppliers	(2,155)	(49)	(3)	(1,249)	(255)	(3,711)
Payments for Employees	(779)	(281)	(68)	(463)	(397)	(1,988)
Payments Made for Program Expense	—	(1,988)	—	—	(843)	(2,831)
Net Payments/Receipts for Tax Credit Projects	14,348	—	—	—	—	14,348
Other Receipts	—	—	—	—	5	5
Other Payments	—	—	(1)	(37)	—	(38)
Net Cash Provided (Used) by Operating Activities	19,082	(3,101)	(12,151)	(1,739)	(1,441)	650
<b>Cash Flows from Non-Capital Financing Activities:</b>						
Due to/from Primary Government	—	(10)	—	—	—	(10)
Advance to/from Primary Government	—	(98)	—	—	—	(98)
Contributions and Intergovernmental	(404)	—	—	1,800	969	2,365
Net Cash Provided (Used) by Non-Capital Financing Activities	(404)	(108)	—	1,800	969	2,257
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Interest Expense	(246)	(2)	—	—	—	(248)
Acquisition and Construction of buildings, equipment, and right of use asset	(307)	—	—	—	(201)	(508)
Lease Downpayment/Obligation	—	—	—	—	173	173
Principal Payments on Capital Debt	(562)	—	—	—	—	(562)
Insurance Proceeds	22	—	—	—	—	22
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,093)	(2)	—	—	(28)	(1,123)
<b>Cash Flows from Investing Activities:</b>						
Proceeds from Investment Maturities	16,486	3,253	41,509	—	265	61,513
Purchase of Investments	(37,183)	—	(22,827)	(53)	—	(60,063)
Interest	(454)	51	616	4	—	217
Investment Fees	—	—	(58)	—	—	(58)
Receipt of Loan Payments	445	—	—	—	—	445
Net Cash Provided (Used) by Investing Activities	(20,706)	3,304	19,240	(49)	265	2,054
Net Increase (Decrease) in Cash	(3,121)	93	7,089	12	(235)	3,838
Cash and Cash Equivalents, Beginning of Year	26,173	2,450	25,459	199	772	55,053
Cash and Cash Equivalents, End of Year	\$ 23,052	\$ 2,543	\$ 32,548	\$ 211	\$ 537	\$ 58,891
<b>Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>						
Operating Income (Loss)	\$ 2,927	\$ (1,970)	\$ 489	\$ (1,774)	\$ (1,258)	\$ (1,586)
Depreciation/Amortization Expense	2,365	9	—	—	26	2,400
<b>Changes in Assets and Liabilities:</b>						
Accounts Receivable	(7,648)	(47)	—	—	(171)	(7,866)
Interest Receivable	4	—	17	—	(1)	20
Inventories	—	—	—	(1)	—	(1)
Deferred Outflows of Resources	27	59	—	18	20	124
Prepaid Items	229	—	—	—	—	229
Loans Receivable	—	(1,058)	(12,666)	—	43	(13,681)
Accounts Payable	(4)	—	9	1	(66)	(60)
Accrued Payroll	—	—	—	3	—	3
Deposit and Reserve	13,554	—	—	—	—	13,554
Lease Obligation	7,447	—	—	—	—	7,447
Compensated Absences	—	(11)	—	2	10	1
Unearned Revenue	105	—	—	—	—	105
Net Pension Liability	(186)	(288)	—	(118)	(39)	(631)
Net OPEB Liability	—	(5)	—	(44)	14	(35)
Deferred Inflows of Resources	262	210	—	174	(19)	627
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 19,082</b>	<b>\$ (3,101)</b>	<b>\$ (12,151)</b>	<b>\$ (1,739)</b>	<b>\$ (1,441)</b>	<b>\$ 650</b>
<b>Non-Cash Investing Activities:</b>						
Increase (Decrease) in Fair Value of Investments	\$ (493)	\$ (60)	\$ (1,918)	\$ (17)	\$ (4)	\$ (2,492)
Net Non-Cash Investing Activities	\$ (493)	\$ (60)	\$ (1,918)	\$ (17)	\$ (4)	\$ (2,492)





*The **Statistical Section** presentations include Financial Trends, Revenue Capacity, Debt Capacity, Demographic and Economic Information, and Operating Information trends. The statistical data presented is intended to provide report users with a broader understanding of the environment in which the State operates.*

STATE OF MISSOURI  
STATISTICAL SECTION  
June 30, 2022

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**Index and Overview**

This part of the State's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State's overall financial health.

**Financial Trends**

*These schedules contain trend information to help the reader understand how the State's financial performance and fiscal health have changed over time.*

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**Sources:** *Unless otherwise noted, the information in these schedules is derived from the State of Missouri Annual Comprehensive Financial Report for the years shown.*

**STATE OF MISSOURI  
NET POSITION BY COMPONENT  
FISCAL YEARS 2013-2022  
(In Thousands of Dollars)**

	2022	2021*	2020	2019	2018
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 32,817,336	31,935,183	\$ 31,404,122	\$ 30,848,265	\$ 30,364,850
Restricted	6,094,563	6,349,360	4,838,035	4,390,964	4,239,726
Unrestricted	(2,497,959)	(6,698,239)	(7,996,677)	(8,259,974)	(7,976,452)
<b>Total Governmental Activities Net Position</b>	<b>\$ 36,413,940</b>	<b>\$ 31,586,304</b>	<b>\$ 28,245,480</b>	<b>\$ 26,979,255</b>	<b>\$ 26,628,124</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	\$ 52,443	111,023	\$ 114,334	\$ 124,985	\$ 126,899
Restricted	19,331	24,078	25,223	6,798	5,616
Unrestricted	830,401	600,128	556,537	956,556	858,356
<b>Total Business-Type Activities Net Position</b>	<b>\$ 902,175</b>	<b>\$ 735,229</b>	<b>\$ 696,094</b>	<b>\$ 1,088,339</b>	<b>\$ 990,871</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	\$ 32,869,779	\$ 32,046,206	\$ 31,518,456	\$ 30,973,250	\$ 30,491,749
Restricted	6,113,894	6,373,438	4,863,258	4,397,762	4,245,342
Unrestricted	(1,667,558)	(6,098,111)	(7,440,140)	(7,303,418)	(7,118,096)
<b>Total Primary Government Net Position</b>	<b>\$ 37,316,115</b>	<b>\$ 32,321,533</b>	<b>\$ 28,941,574</b>	<b>\$ 28,067,594</b>	<b>\$ 27,618,995</b>

**Continues Below**

	2017	2016	2015	2014	2013
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 29,793,477	\$ 29,255,865	\$ 28,791,258	\$ 28,485,327	\$ 28,166,290
Restricted	4,103,890	4,348,001	3,269,480	3,790,165	3,788,299
Unrestricted	(7,606,967)	(5,465,559)	(4,292,710)	(5,501,188)	(1,216,048)
<b>Total Governmental Activities Net Position</b>	<b>\$ 26,290,400</b>	<b>\$ 28,138,307</b>	<b>\$ 27,768,028</b>	<b>\$ 26,774,304</b>	<b>\$ 30,738,541</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	\$ 115,327	\$ 98,320	\$ 55,669	\$ 52,901	\$ 52,217
Restricted	7,239	6,104	4,588	4,889	5,630
Unrestricted	762,633	677,470	420,995	183,705	(117,891)
<b>Total Business-Type Activities Net Position</b>	<b>\$ 885,199</b>	<b>\$ 781,894</b>	<b>\$ 481,252</b>	<b>\$ 241,495</b>	<b>\$ (60,044)</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	\$ 29,908,804	\$ 29,354,185	\$ 28,846,927	\$ 28,538,228	\$ 28,218,507
Restricted	4,111,129	4,354,105	3,274,068	3,795,054	3,793,929
Unrestricted	(6,844,334)	(4,788,089)	(3,871,715)	(5,317,483)	(1,333,939)
<b>Total Primary Government Net Position</b>	<b>\$ 27,175,599</b>	<b>\$ 28,920,201</b>	<b>\$ 28,249,280</b>	<b>\$ 27,015,799</b>	<b>\$ 30,678,497</b>

\*Fiscal year 2021 amounts have been restated.

**STATE OF MISSOURI  
CHANGES IN NET POSITION  
FISCAL YEARS 2013-2022  
(In Thousands of Dollars)**

	2022	2021*	2020	2019
<b>Governmental Activities:</b>				
<b>Expenses</b>				
General Government	\$ 1,388,801	\$ 1,703,806	\$ 1,297,641	\$ 1,276,223
Education	9,056,710	7,782,932	7,065,810	7,142,183
Natural and Economic Resources	1,501,480	1,350,353	944,127	1,055,997
Transportation and Law Enforcement	2,297,701	2,100,853	2,127,151	1,984,162
Human Services	17,459,743	17,022,298	15,285,691	14,445,872
Interest on Debt (Excluding Direct Expense)	79,943	80,878	98,134	109,740
Total Expenses	31,784,378	30,041,120	26,818,554	26,014,177
<b>Program Revenues</b>				
Charges for Services:				
General Government	611,252	1,001,426	578,389	601,303
Transportation and Law Enforcement	266,410	245,340	242,625	215,095
Human Services	578,645	652,425	666,309	554,370
Other Activities	324,499	354,419	360,419	351,597
Operating Grants and Contributions	16,193,195	15,793,490	12,303,616	10,757,841
Capital Grants and Contributions	872,728	1,567,072	887,716	949,652
Total Program Revenues	18,846,729	19,614,172	15,039,074	13,429,858
<b>Total Governmental Activities Net Program (Expense) Revenue</b>	<b>(12,937,649)</b>	<b>(10,426,948)</b>	<b>(11,779,480)</b>	<b>(12,584,319)</b>
<b>General Revenues and Other Changes in Net Position</b>				
Taxes:				
Sales and Use	4,386,219	3,608,744	3,728,384	3,393,577
Individual Income	9,635,689	7,823,594	6,849,589	6,966,221
Corporate Income	876,853	699,212	455,862	477,918
County Foreign Insurance	290,988	266,086	289,015	267,142
Alcoholic Beverage	43,803	38,913	38,640	34,525
Corporate Franchise	—	—	—	1,470
Fuel	783,909	621,624	708,407	671,218
Miscellaneous Taxes	750,712	695,346	581,135	686,510
Grants and Contributions not Restricted to Specific Programs	1,019,257	76,683	51,264	58,534
Unrestricted Investment Earnings	(409,115)	26,704	90,352	79,604
Special Items	—	—	—	—
Extraordinary Items	—	—	—	—
Transfers	386,487	70,605	313,750	304,529
Total General Revenues and Other Changes in Net Position	17,764,802	13,927,511	13,106,398	12,941,248
<b>Total Governmental Activities Change in Net Position</b>	<b>\$ 4,827,153</b>	<b>\$ 3,500,563</b>	<b>\$ 1,326,918</b>	<b>\$ 356,929</b>
<b>Business-Type Activities:</b>				
<b>Expenses</b>				
State Lottery	\$ 1,424,911	\$ 1,434,104	\$ 1,207,182	\$ 1,168,012
Unemployment Compensation	254,450	3,680,869	3,155,342	264,370
Missouri Veterans' Homes	—	—	125,103	125,245
State Fair Fees	4,794	2,257	5,406	4,528
State Parks and DNR	15,456	12,574	15,943	13,257
Historic Preservation	412	376	426	531
Petroleum Storage Tank Insurance	17,047	17,341	20,862	20,345
Surplus Property	1,368	1,706	1,856	2,589
Revenue Information	7	7	8	9
Inmate Canteen	30,891	32,495	30,333	28,498
Total Expenses	1,749,336	5,181,729	4,562,461	1,627,384
<b>Program Revenues</b>				
Charges for Services:				
State Lottery	1,809,209	1,828,313	1,526,247	1,484,529
Other Activities	67,536	64,730	83,928	86,689
Operating Grants and Contributions	423,896	3,260,494	2,851,252	431,609
Total Program Revenues	2,300,641	5,153,537	4,461,427	2,002,827
<b>Total Business-Type Activities Net Program (Expense) Revenue</b>	<b>551,305</b>	<b>(28,192)</b>	<b>(101,034)</b>	<b>375,443</b>
<b>General Revenues and Other Changes in Net Position</b>				
Unrestricted Investment Earnings	2,128	10,379	29,694	26,449
Adjustments to Claims Reserve	—	—	—	—
Special Items	—	—	—	—
Extraordinary Items	—	—	—	—
Capital Contributions	—	—	—	173
Transfers	(386,487)	(70,605)	(313,750)	(304,529)
Total General Revenues and Other Changes in Net Position	(384,359)	(60,226)	(284,056)	(277,907)
<b>Total Business-Type Activities Change in Net Position</b>	<b>\$ 166,946</b>	<b>\$ (88,418)</b>	<b>\$ (385,090)</b>	<b>\$ 97,536</b>
<b>Total Primary Government Change in Net Position</b>	<b>\$ 4,994,099</b>	<b>\$ 3,412,145</b>	<b>\$ 941,828</b>	<b>\$ 454,465</b>

\*Fiscal year 2021 amounts have been restated

2018	2017	2016	2015	2014	2013
\$ 1,265,947	\$ 1,176,204	\$ 1,081,421	\$ 1,064,771	\$ 1,030,327	\$ 1,063,418
7,053,444	7,086,927	6,902,930	6,680,646	6,430,861	6,368,472
1,079,318	1,074,411	1,039,408	910,502	874,033	933,019
1,974,321	2,157,349	1,913,379	1,861,116	1,823,578	1,924,306
14,339,926	13,682,277	13,086,606	12,800,735	12,623,617	12,335,625
120,206	128,108	138,426	139,112	157,707	161,386
25,833,162	25,305,276	24,162,170	23,456,882	22,940,123	22,786,226
588,246	671,875	579,457	581,008	540,427	698,300
227,643	228,039	230,685	228,093	232,176	250,898
559,544	498,348	475,055	503,290	504,443	554,365
325,333	343,363	327,275	327,169	333,898	351,193
10,811,591	10,403,733	10,178,230	9,960,965	9,649,655	9,702,624
1,020,653	923,748	917,255	838,354	933,814	1,039,043
13,533,010	13,069,106	12,707,957	12,438,879	12,194,413	12,596,423
(12,300,152)	(12,236,170)	(11,454,213)	(11,018,003)	(10,745,710)	(10,189,803)
3,235,110	3,267,442	3,112,912	3,142,387	2,925,867	2,883,852
6,796,359	6,648,918	6,324,548	6,418,379	5,718,801	5,833,306
403,771	392,438	411,139	490,131	427,320	429,797
272,497	254,685	218,083	222,828	180,779	175,212
32,602	32,764	30,913	32,101	30,370	30,294
1,968	2,490	17,197	29,982	54,670	51,444
640,767	667,639	640,934	656,893	629,105	648,989
684,578	680,885	663,797	668,955	605,247	630,228
59,233	62,173	58,971	76,276	73,637	120,380
26,308	12,626	26,468	24,721	35,040	(15,858)
—	—	—	—	—	—
—	—	—	—	(132)	—
331,631	289,683	304,320	275,997	291,421	290,900
12,484,824	12,311,743	11,809,282	12,038,650	10,972,125	11,078,544
\$ 184,672	\$ 75,573	\$ 355,069	\$ 1,020,647	\$ 226,415	\$ 888,741
\$ 1,086,927	\$ 1,070,595	\$ 1,025,086	\$ 873,502	\$ 894,137	\$ 876,290
294,271	318,782	312,295	391,508	568,787	858,697
123,095	115,078	100,771	92,501	97,674	97,012
4,880	4,726	4,369	4,390	4,419	3,968
9,829	14,025	8,395	8,264	9,417	9,179
725	1,248	577	741	334	388
21,298	19,392	16,205	14,705	13,244	18,101
2,416	2,523	2,590	3,169	2,528	3,017
12	12	14	13	—	32
46,474	—	—	—	—	—
1,589,927	1,546,381	1,470,302	1,388,793	1,590,540	1,866,684
1,418,409	1,361,996	1,327,852	1,144,604	1,171,580	1,156,235
104,320	61,228	56,005	59,199	57,836	57,009
466,750	553,591	677,118	693,657	999,516	1,172,524
1,989,479	1,976,815	2,060,975	1,897,460	2,228,932	2,385,768
399,552	430,434	590,673	508,667	638,392	519,084
18,338	13,156	11,420	3,591	2,029	(3,138)
—	—	2,500	—	17,223	—
—	—	—	—	—	—
—	(153)	—	—	—	—
11,463	920	—	—	—	35
(331,631)	(289,683)	(304,320)	(275,997)	(291,421)	(290,900)
(301,830)	(275,760)	(290,400)	(272,406)	(272,169)	(294,003)
\$ 97,722	\$ 154,674	\$ 300,273	\$ 236,261	\$ 366,223	\$ 225,081
\$ 282,394	\$ 230,247	\$ 655,342	\$ 1,256,908	\$ 592,638	\$ 1,113,822

**STATE OF MISSOURI**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**FISCAL YEARS 2013-2022**  
(In Thousands of Dollars)

	2022	2021*	2020	2019	2018
<b>General Fund</b>					
Nonspendable	\$ 161,279	\$ 173,918	\$ 48,942	\$ 47,542	\$ 48,944
Restricted	999,191	1,371,960	598,678	556,252	485,578
Committed	760,316	611,350	662,067	655,263	617,661
Assigned	207,622	144,624	105,074	98,634	86,662
Unassigned	6,555,818	2,395,447	1,107,073	770,145	457,634
<b>Total General Fund</b>	<b>8,684,226</b>	<b>4,697,299</b>	<b>2,521,834</b>	<b>2,127,836</b>	<b>1,696,479</b>
<b>All Other Governmental Funds</b>					
Nonspendable	120,159	115,000	104,480	98,229	95,438
Restricted	2,271,469	2,176,094	1,681,227	1,390,740	1,489,673
Committed	2,414,656	2,618,179	1,964,707	1,799,430	1,787,795
Assigned	481,510	408,917	377,999	377,227	410,182
Unassigned	—	—	—	—	—
<b>Total All Other Governmental Funds</b>	<b>5,287,794</b>	<b>5,318,190</b>	<b>4,128,413</b>	<b>3,665,626</b>	<b>3,783,088</b>
<b>Total Fund Balances, Governmental Funds</b>	<b>\$ 13,972,020</b>	<b>\$ 10,015,489</b>	<b>\$ 6,650,247</b>	<b>\$ 5,793,462</b>	<b>\$ 5,479,567</b>

**Continues Below**

	2017	2016	2015	2014	2013
<b>General Fund</b>					
Nonspendable	\$ 52,969	\$ 58,712	\$ 53,809	\$ 50,504	\$ 56,048
Restricted	341,052	488,180	292,758	289,266	285,878
Committed	590,697	589,956	545,765	560,141	506,778
Assigned	154,634	78,096	158,390	73,625	67,277
Unassigned	294,901	238,735	349,901	244,821	530,431
<b>Total General Fund</b>	<b>1,434,253</b>	<b>1,453,679</b>	<b>1,400,623</b>	<b>1,218,357</b>	<b>1,446,412</b>
<b>All Other Governmental Funds</b>					
Nonspendable	97,723	97,027	1,243,039	1,170,054	1,126,253
Restricted	1,517,114	1,699,763	1,512,228	1,544,139	1,636,550
Committed	1,614,390	1,543,913	377,527	345,465	337,874
Assigned	422,122	430,901	425,256	400,668	370,090
Unassigned	(17,628)	—	—	—	—
<b>Total All Other Governmental Funds</b>	<b>3,633,721</b>	<b>3,771,604</b>	<b>3,558,050</b>	<b>3,460,326</b>	<b>3,470,767</b>
<b>Total Fund Balances, Governmental Funds</b>	<b>\$ 5,067,974</b>	<b>\$ 5,225,283</b>	<b>\$ 4,958,673</b>	<b>\$ 4,678,683</b>	<b>\$ 4,917,179</b>

\*Fiscal year 2021 amounts have been restated.

**STATE OF MISSOURI  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FISCAL YEARS 2013-2022  
(In Thousands of Dollars)**

	2022	2021*	2020	2019
<b>Revenues:</b>				
Taxes	\$ 16,231,497	\$ 13,887,139	\$ 12,075,141	\$ 12,465,629
Licenses, Fees, and Permits	766,801	736,492	717,899	710,814
Sales	15,644	12,203	12,429	8,587
Leases and Rentals	657	498	376	138
Services	147,956	145,445	122,012	121,249
Contributions and Intergovernmental	18,080,288	17,434,708	13,242,981	11,765,170
Investment Earnings:				
Net Increase (Decrease) in the				
Fair Value of Investments	(455,494)	(17,682)	13,817	9,766
Interest	61,300	53,634	105,830	93,129
Penalties and Unclaimed Properties	77,518	566,781	85,289	85,784
Cost Reimbursement/Miscellaneous	520,977	519,765	614,641	488,501
Total Revenues	<u>35,447,144</u>	<u>33,338,983</u>	<u>26,990,415</u>	<u>25,748,767</u>
<b>Expenditures:</b>				
Current:				
General Government	1,181,939	1,470,082	1,010,225	964,166
Education	9,043,927	7,755,012	7,039,061	7,117,049
Natural and Economic Resources	1,369,881	1,196,800	714,899	822,854
Transportation and Law Enforcement	1,705,416	1,617,005	1,605,982	1,454,177
Human Services	17,156,318	16,676,407	14,849,266	14,066,072
Capital Outlay:				
General Government	9,764	7,270	13,836	1,242
Education	—	—	—	12
Natural and Economic Resources	527	23	2,638	629
Transportation and Law Enforcement	1,089,616	1,019,614	1,003,310	834,991
Human Services	2,735	434	1,955	32,605
Debt Service:				
Principal	337,777	286,630	266,278	334,138
Interest	106,408	114,360	117,855	134,110
Bond Issuance Costs	—	339	668	370
Underwriter's Discount	—	47	12	—
Total Expenditures	<u>32,004,308</u>	<u>30,144,023</u>	<u>26,625,985</u>	<u>25,762,415</u>
Excess Revenues (Expenditures)	<u>3,442,836</u>	<u>3,194,960</u>	<u>364,430</u>	<u>(13,648)</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Notes/Capital Leases/Financed				
Purchases	20,007	9,273	2,161	1,612
Proceeds from General Obligation/Other Bonds	88,955	—	178,370	102,705
Issuance of Refunding Bonds	—	172,850	38,920	—
Payments to Escrow Agent	—	(208,893)	(41,069)	(111,483)
Bond Premium	11,439	36,429	25,458	9,148
Proceeds from Capital Asset Sale	14,461	13,213	27,791	15,300
Transfers In	398,475	409,430	332,220	323,846
Transfers Out	(9,114)	(339,368)	(17,300)	(16,541)
Total Other Financing Sources (Uses)	<u>524,223</u>	<u>92,934</u>	<u>546,551</u>	<u>324,587</u>
Net Change in Fund Balances	<u>3,967,059</u>	<u>3,287,894</u>	<u>910,981</u>	<u>310,939</u>
Increase (Decrease) in Reserve for Inventory	<u>(10,902)</u>	<u>88,156</u>	<u>2,575</u>	<u>425</u>
<b>Net Change in Fund Balances</b>	<u>\$ 3,956,157</u>	<u>\$ 3,376,050</u>	<u>\$ 913,556</u>	<u>\$ 311,364</u>
<b>Debt Service as a Percentage of Non-Capital Expenditures</b>	1.44 %	1.38 %	1.50 %	1.88 %

\*Fiscal year 2021 amounts have been restated.

2018	2017	2016	2015	2014	2013
\$ 12,151,078	\$ 11,877,303	\$ 11,550,222	\$ 11,302,267	\$ 10,549,046	\$ 10,557,831
675,447	678,037	685,115	653,218	654,416	647,233
9,527	9,035	9,002	11,905	12,308	10,261
157	158	71	497	480	1,212
148,653	122,531	116,133	105,066	111,280	115,219
11,890,439	11,395,032	11,157,654	10,871,669	10,652,830	10,860,366
(15,384)	(10,530)	5,975	2,006	6,737	(25,606)
60,189	34,080	25,534	29,911	50,251	27,839
69,907	96,568	72,435	131,384	74,642	112,951
513,741	564,390	492,593	525,729	507,763	687,609
25,503,754	24,766,604	24,114,734	23,633,652	22,619,753	22,994,915
909,941	884,641	886,172	869,266	844,854	884,342
7,031,232	7,071,710	6,893,120	6,673,331	6,419,231	6,351,934
869,568	896,485	913,667	833,441	831,495	856,133
1,483,225	1,473,797	1,475,500	1,558,694	1,350,588	1,406,509
14,012,219	13,629,856	13,037,667	12,761,134	12,447,706	12,162,029
1,320	14,057	2,474	—	34	8
106	348	29	—	—	—
3,549	2,027	246	—	—	—
854,707	712,716	690,269	714,550	852,832	963,001
64,467	54,915	37,384	1,354	—	—
333,480	436,938	292,521	285,627	256,221	216,017
144,976	159,977	166,000	166,672	187,123	189,920
356	336	755	831	1,545	920
985	972	1,231	2,260	4,075	2,423
25,710,131	25,338,775	24,397,035	23,867,160	23,195,704	23,033,236
(206,377)	(572,171)	(282,301)	(233,508)	(575,951)	(38,321)
6,934	1,542	14,782	1,819	1,400	712
124,905	97,225	193,800	129,465	—	—
—	—	—	108,930	995,555	441,690
—	—	—	(121,020)	(1,177,908)	(486,904)
9,751	5,877	17,810	18,622	195,638	48,276
18,034	20,305	18,394	11,137	13,867	19,310
342,979	297,229	310,842	285,468	304,688	312,595
(9,177)	(5,598)	(6,010)	(9,547)	(12,763)	(21,846)
493,426	416,580	549,618	424,874	320,477	313,833
287,049	(155,591)	267,317	191,366	(255,474)	275,512
(154)	(1,716)	(707)	4,928	153	(4,402)
\$ 286,895	\$ (157,307)	\$ 266,610	\$ 196,294	\$ (255,321)	\$ 271,110
1.94 %	2.45 %	1.96 %	1.99 %	2.02 %	1.85 %



**STATE OF MISSOURI  
REVENUE BASE - TAXABLE SALES BY INDUSTRY  
FISCAL YEARS 2013-2022**

**Taxable Sales by Industry**

	2022	2021	2020	2019	2018
Agricultural/Forestry, Fishing, and Other	\$ 276,392,903	\$ 246,034,302	\$ 255,902,100	\$ 160,462,181	\$ 243,431,996
Mining	307,630,776	285,978,926	303,401,444	353,489,366	453,466,663
Construction	829,146,128	695,869,598	712,675,722	998,174,516	801,058,193
Manufacturing	2,934,314,514	2,530,789,425	2,541,840,495	3,395,360,423	4,543,245,262
Transportation and Public Utilities	4,628,779,291	4,479,764,637	4,965,281,719	6,704,044,793	7,431,439,993
Wholesale Trade	6,286,350,711	5,423,631,630	5,417,878,906	8,580,382,365	37,375,445,863
Retail Trade	48,206,885,473	45,191,494,301	43,584,455,906	44,832,734,671	26,306,855,209
Finance, Insurance, and Real Estate	1,388,053,887	1,300,018,426	1,350,810,033	1,700,974,266	2,244,925,706
Services	21,608,716,730	21,114,833,756	19,466,475,589	14,558,550,695	8,557,460,947
State and Local Government	217,083,677	214,953,266	215,399,261	229,536,272	248,500,694
Non-Classifiable	—	—	—	—	—
<b>Total Taxable Sales</b>	<b>\$86,683,354,090</b>	<b>\$81,483,368,267</b>	<b>\$78,814,121,175</b>	<b>\$81,513,709,548</b>	<b>\$88,205,830,526</b>
<b>Direct Sales Tax Rate</b>	4.225 %	4.225 %	4.225 %	4.225 %	4.225 %

**Continues Below**

**Taxable Sales by Industry**

	2017	2016	2015	2014	2013
Agricultural/Forestry, Fishing, and Other	\$ 259,105,220	\$ 245,772,867	\$ 240,000,494	\$ 236,474,690	\$ 215,327,746
Mining	110,484,032	106,659,795	87,523,595	76,102,321	72,364,854
Construction	1,788,629,305	1,677,123,560	950,357,972	903,053,231	837,805,800
Manufacturing	4,758,144,850	4,686,174,181	4,512,551,497	4,452,723,181	4,122,180,876
Transportation and Public Utilities	7,991,327,737	7,941,221,199	8,150,393,880	8,296,512,631	7,865,266,716
Wholesale Trade	9,478,033,276	9,258,220,896	8,772,153,165	8,355,874,187	8,201,088,643
Retail Trade	52,013,596,266	50,710,170,965	48,945,156,057	46,883,720,342	45,955,834,897
Finance, Insurance, and Real Estate	675,498,078	639,535,606	459,394,721	428,174,408	555,096,635
Services	10,958,489,216	10,508,298,419	10,167,703,650	9,615,517,898	9,242,131,446
State and Local Government	137,361,580	130,923,934	149,553,253	196,281,904	164,729,390
Non-Classifiable	13,251,530	12,784,255	12,193,479	13,389,207	19,041,853
<b>Total Taxable Sales</b>	<b>\$88,183,921,090</b>	<b>\$85,916,885,677</b>	<b>\$82,446,981,763</b>	<b>\$79,457,824,000</b>	<b>\$77,250,868,856</b>
<b>Direct Sales Tax Rate</b>	4.225 %	4.225 %	4.225 %	4.225 %	4.225 %

Source: Missouri Department of Revenue

\* During fiscal year 2018 the State replaced the Standard Industrial Classification System with the more consistent North American Industry Classification System to classify revenues.

**STATE OF MISSOURI  
REVENUE BASE - PERSONAL INCOME BY INDUSTRY  
CALENDAR YEARS 2012-2021**

<b>Personal Income by Industry (In Thousands of Dollars)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Farm Earnings	\$ 2,120,559	\$ 2,592,086	\$ 1,291,799	\$ 266,645	\$ 1,062,184
Agricultural/Forestry, Fishing, and Other	465,889	465,164	490,883	482,308	424,552
Mining	1,011,259	477,408	393,973	336,767	241,988
Construction/Utilities	18,848,403	15,753,973	15,021,227	14,235,375	13,819,650
Manufacturing	23,377,163	22,690,355	23,566,152	22,730,105	21,229,515
Transportation and Public Utilities	8,525,474	7,993,389	8,098,772	7,511,308	7,189,504
Wholesale Trade	12,654,020	11,662,396	11,548,530	11,056,910	10,826,692
Retail Trade	14,347,559	12,918,851	12,396,283	11,993,104	11,749,093
Finance, Insurance, and Real Estate	21,116,034	19,859,350	18,236,762	19,493,630	17,761,199
Services	96,732,347	89,808,713	90,210,784	86,806,984	82,115,017
Federal, Civilian	6,752,692	6,522,907	6,180,879	6,078,280	5,843,242
Military	2,223,367	2,198,275	2,120,915	2,000,240	1,912,463
State and Local Government	23,706,169	23,261,811	23,209,704	22,440,186	22,264,323
<b>Total Personal Income</b>	<b>\$231,880,935</b>	<b>\$216,204,678</b>	<b>\$212,766,663</b>	<b>\$205,431,842</b>	<b>\$196,439,422</b>
<b>Total Direct Personal Income Tax Rate</b>	<b>5.4 %</b>	<b>5.4 %</b>	<b>6.0 %</b>	<b>6.0 %</b>	<b>6.0 %</b>

**Continues Below**

<b>Personal Income by Industry (In Thousands of Dollars)</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Farm Earnings	\$ 829,415	\$ 722,021	\$ 3,786,857	\$ 1,626,591	\$ 1,257,121
Agricultural/Forestry, Fishing, and Other	457,108	451,862	394,686	397,546	319,736
Mining	320,915	345,512	450,247	531,506	533,997
Construction/Utilities	12,748,129	11,973,872	12,039,804	11,722,352	11,021,154
Manufacturing	20,542,795	20,483,723	19,405,898	18,638,481	18,223,989
Transportation and Public Utilities	6,957,284	6,937,566	6,632,242	6,641,733	6,329,830
Wholesale Trade	10,831,422	11,063,357	10,168,424	9,614,681	9,401,253
Retail Trade	11,785,062	11,618,585	11,353,713	11,045,743	10,981,844
Finance, Insurance, and Real Estate	15,456,673	15,873,119	14,637,085	13,981,286	13,577,510
Services	78,239,644	77,566,750	75,021,866	73,357,863	70,695,009
Federal, Civilian	5,677,270	5,566,826	5,370,947	5,170,204	5,326,901
Military	1,879,387	1,889,251	1,906,989	2,165,907	2,087,494
State and Local Government	22,256,414	21,860,748	21,611,208	21,013,029	20,951,836
<b>Total Personal Income</b>	<b>\$187,981,518</b>	<b>\$186,353,192</b>	<b>\$182,779,966</b>	<b>\$175,906,922</b>	<b>\$170,707,674</b>
<b>Total Direct Personal Income Tax Rate</b>	<b>6.0 %</b>	<b>6.0 %</b>	<b>6.0 %</b>	<b>6.0 %</b>	<b>6.0 %</b>

Source: Bureau of Economic Analysis

**STATE OF MISSOURI  
PERSONAL INCOME TAX REVENUE  
FISCAL YEARS 2013-2022**

<b>Personal Income Tax Revenue</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Personal Income Tax Revenue	\$ 9,840,438,433	\$ 8,821,631,860	\$ 6,948,385,189	\$ 7,654,451,494	\$ 7,737,588,498
Personal Income (Federal AGI)	\$384,327,372,548	\$374,015,644,578	\$294,938,339,311	\$314,827,907,242	\$304,938,141,965
Taxable Income	\$311,987,206,475	\$296,040,234,782	\$228,600,967,718	\$235,907,363,855	\$228,943,859,159
Average Effective Rate:					
Federal Adjusted Gross Taxable Income	2.56%	2.36%	2.36%	2.43%	2.54%
	3.15%	2.98%	3.04%	3.24%	3.38%

**Continues Below**

<b>Personal Income Tax Revenue</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Personal Income Tax Revenue	\$ 7,331,004,490	\$ 7,182,257,124	\$ 6,904,280,506	\$ 6,421,723,597	\$ 6,374,093,816
Personal Income (Federal AGI)	\$308,516,717,209	\$295,120,344,327	\$272,999,790,569	\$286,579,465,435	\$238,522,413,855
Taxable Income	\$233,037,149,447	\$223,319,685,253	\$204,984,460,785	\$215,915,208,076	\$176,397,991,056
Average Effective Rate:					
Federal Adjusted Gross Taxable Income	2.38%	2.43%	2.53%	2.24%	2.67%
	3.15%	3.22%	3.37%	2.97%	3.61%

Note: Article X, Sections 16 through 24 of the Missouri Constitution establishes a revenue limit for Missouri State Government. When total revenues exceed the limit, tax refunds are generated.

Source: Missouri Department of Revenue

**STATE OF MISSOURI  
PERSONAL INCOME TAX RATES  
FISCAL YEARS 2013-2022**

**Ranges of Tax Rates  
on the Portion of  
Taxable Income  
(In Thousands)**

**\*In dollar amounts**

	2022			2021			2020			2019		
Tax Rate	\$ —	plus	1.5%	\$ —	plus	1.5%	\$ —	plus	1.5%	\$ —	plus	1.5%
Income Levels			112-1,121			109-1,088			107-1,073			105-1,053
Tax Rate	17	plus	2.0%	16	plus	2.0%	16	plus	2.0%	16	plus	2.0%
Income Levels			1,122-2,242			1,089-2,176			1,074-2,146			1,054-2,106
Tax Rate	39	plus	2.5%	38	plus	2.5%	37	plus	2.5%	37	plus	2.5%
Income Levels			2,243-3,363			2,177-3,264			2,147-3,219			2,107-3,159
Tax Rate	67	plus	3.0%	65	plus	3.0%	64	plus	3.0%	64	plus	3.0%
Income Levels			3,364-4,484			3,265-4,352			3,220-4,292			3,160-4,212
Tax Rate	101	plus	3.5%	98	plus	3.5%	96	plus	3.5%	96	plus	3.5%
Income Levels			4,485-5,605			4,353-5,440			4,293-5,365			4,213-5,265
Tax Rate	140	plus	4.0%	136	plus	4.0%	134	plus	4.0%	134	plus	4.0%
Income Levels			5,606-6,726			5,441-6,528			5,366-6,438			5,266-6,318
Tax Rate	185	plus	4.5%	180	plus	4.5%	177	plus	4.5%	177	plus	4.5%
Income Levels			6,727-7,847			6,529-7,616			6,439-7,511			6,319-7,371
Tax Rate	235	plus	5.0%	229	plus	5.0%	225	plus	5.0%	225	plus	5.0%
Income Levels			7,848-8,968			7,617-8,704			7,512-8,584			7,372-8,424
Tax Rate	291	plus	5.3%	283	plus	5.4%	279	plus	5.4%	279	plus	5.4%
Income Levels			8,968+			8,704+			8,584+			8,424+
Tax Rate	—	plus	—%	—	plus	—%	—	plus	—%	—	plus	—%
Income Levels			—			—			—			—

Continues Below

**Ranges of Tax Rates  
on the Portion of  
Taxable Income  
(In Thousands of Dollars)**

	2018				2017				2016	2015	2014	2013
Tax Rate	\$ —	plus	1.5%		\$ —	plus	1.5 %		1.5 %	1.5 %	1.5 %	1.5 %
Income Levels			103-1,028				101-1,008		1.1-2	1.1-2	1.1-2	1.1-2
Tax Rate	16	plus	2.0%		15	plus	2.0 %		2.0%	2.0 %	2.0 %	2.0 %
Income Levels			1,029-2,056				1,009-2,016		2.1-3	2.1-3	2.1-3	2.1-3
Tax Rate	36	plus	2.5%		35	plus	2.5 %		2.5%	2.5 %	2.5 %	2.5 %
Income Levels			2,057-3,084				2,017-3,024		3.1-4	3.1-4	3.1-4	3.1-4
Tax Rate	62	plus	3.0%		60	plus	3.0 %		3.0%	3.0 %	3.0 %	3.0 %
Income Levels			3,085-4,113				3,025-4,032		4.1-5	4.1-5	4.1-5	4.1-5
Tax Rate	93	plus	3.5%		90	plus	3.5 %		3.5%	3.5 %	3.5 %	3.5 %
Income Levels			4,114-5,141				4,033-5,040		5.1-6	5.1-6	5.1-6	5.1-6
Tax Rate	129	plus	4.0%		125	plus	4.0 %		4.0%	4.0 %	4.0 %	4.0 %
Income Levels			5,142-6,169				5,041-6,048		6.1-7	6.1-7	6.1-7	6.1-7
Tax Rate	170	plus	4.5%		165	plus	4.5 %		4.5%	4.5 %	4.5 %	4.5 %
Income Levels			6,170-7,197				6,049-7,056		7.1-8	7.1-8	7.1-8	7.1-8
Tax Rate	216	plus	5.0%		210	plus	5.0 %		5.0%	5.0 %	5.0 %	5.0 %
Income Levels			7,198-8,225				7,057-8,064		8.1-9	8.1-9	8.1-9	8.1-9
Tax Rate	267	plus	5.5%		260	plus	5.5 %		6.0%	6.0 %	6.0 %	6.0 %
Income Levels			8,226-9,253				8,065-9,072		9.1+	9.1+	9.1+	9.1+
Tax Rate	324	plus	5.9%		315	plus	6.0 %					
Income Levels			9,253+				9,072+					

Note: Article X, Sections 16 through 24 of the Missouri Constitution establishes a revenue limit for Missouri State Government. When total revenues exceed the limit, tax refunds are generated

Source: Missouri Department of Revenue

\*The tax rate table changed in 2017 due to new legislation on how the rates were to be calculated.

**STATE OF MISSOURI  
REVENUE PAYERS BY INDUSTRY  
FISCAL YEARS 2013-2022**

<b>Sales Tax</b>	2022	%	2021	%	2020	%
Agricultural	\$ 11,677,600	0.32 %	\$ 10,394,949	0.30 %	\$ 10,811,864	0.33 %
Mining	12,997,400	0.35 %	12,082,610	0.35 %	12,818,711	0.39 %
Construction	35,031,424	0.96 %	29,400,491	0.85 %	30,110,549	0.90 %
Manufacturing	123,974,788	3.39 %	106,925,853	3.11 %	107,392,761	3.23 %
Transportation & Utilities	195,565,925	5.34 %	189,270,056	5.50 %	209,783,153	6.30 %
Wholesale Trade	265,598,318	7.25 %	229,148,436	6.66 %	228,905,384	6.87 %
Retail Trade	2,036,740,911	55.61 %	1,909,340,634	55.46 %	1,841,443,262	55.30 %
Finance, Insurance, & Real Estate	58,645,277	1.60 %	54,925,778	1.60 %	57,071,724	1.71 %
Services	912,968,282	24.93 %	892,101,726	25.91 %	822,458,597	24.70 %
Government	9,171,785	0.25 %	9,081,775	0.26 %	9,100,619	0.27 %
Non-Classifiable	—	— %	—	— %	—	— %
<b>Total</b>	<b>\$ 3,662,371,710</b>	<b>100.00 %</b>	<b>\$ 3,442,672,308</b>	<b>100.00 %</b>	<b>\$ 3,329,896,624</b>	<b>100.00 %</b>
	2019	%	2018	%	2017	%
Agricultural	\$ 6,779,527	0.20 %	\$ 10,285,002	0.28 %	\$ 10,947,196	0.29 %
Mining	14,934,926	0.43 %	19,158,966	0.51 %	4,667,950	0.12 %
Construction	42,172,873	1.23 %	33,955,810	0.91 %	75,569,588	2.03 %
Manufacturing	143,453,978	4.16 %	191,952,112	5.15 %	201,031,620	5.40 %
Transportation & Utilities	283,245,892	8.22 %	313,978,340	8.43 %	337,633,597	9.06 %
Wholesale Trade	362,521,155	10.53 %	1,579,112,588	42.37 %	400,446,906	10.75 %
Retail Trade	1,894,183,040	55.00 %	1,111,464,633	29.82 %	2,197,574,442	58.98 %
Finance, Insurance, & Real Estate	71,866,163	2.09 %	94,848,111	2.55 %	28,539,794	0.77 %
Services	615,098,767	17.86 %	361,552,725	9.70 %	462,996,169	12.43 %
Government	9,697,907	0.28 %	10,499,154	0.28 %	5,803,527	0.16 %
Non-Classifiable	—	— %	—	— %	559,877	0.01 %
<b>Total</b>	<b>\$ 3,443,954,228</b>	<b>100.00 %</b>	<b>\$ 3,726,807,441</b>	<b>100.00 %</b>	<b>\$ 3,725,770,666</b>	<b>100.00 %</b>
	2016	%	2015	%	2014	%
Agricultural	\$ 10,383,904	0.36 %	\$ 10,140,021	0.29 %	\$ 9,991,056	0.30 %
Mining	4,506,376	0.16 %	3,697,872	0.11 %	3,215,323	0.09 %
Construction	37,780,540	1.31 %	40,152,624	1.15 %	38,153,999	1.14 %
Manufacturing	192,230,237	6.67 %	190,655,301	5.47 %	188,127,554	5.60 %
Transportation & Utilities	330,960,635	11.49 %	344,354,141	9.89 %	350,527,659	10.44 %
Wholesale Trade	261,477,270	9.07 %	370,623,471	10.64 %	353,035,684	10.52 %
Retail Trade	1,568,702,724	54.44 %	2,067,932,843	59.37 %	1,980,837,184	59.00 %
Finance, Insurance, & Real Estate	25,446,129	0.88 %	19,409,427	0.56 %	18,090,369	0.54 %
Services	443,975,608	15.41 %	429,585,479	12.33 %	406,255,631	12.10 %
Government	5,531,536	0.19 %	6,318,625	0.18 %	8,292,910	0.25 %
Non-Classifiable	540,135	0.02 %	515,174	0.01 %	565,694	0.02 %
<b>Total</b>	<b>\$ 2,881,535,094</b>	<b>100.00 %</b>	<b>\$ 3,483,384,978</b>	<b>100.00 %</b>	<b>\$ 3,357,093,063</b>	<b>100.00 %</b>
	2013	%				
Agricultural	\$ 9,097,597	0.28 %				
Mining	3,057,415	0.09 %				
Construction	35,397,295	1.08 %				
Manufacturing	174,162,142	5.34 %				
Transportation & Utilities	332,307,519	10.18 %				
Wholesale Trade	346,495,995	10.62 %				
Retail Trade	1,941,634,024	59.49 %				
Finance, Insurance, & Real Estate	23,452,833	0.72 %				
Services	390,480,054	11.96 %				
Government	6,959,817	0.21 %				
Non-Classifiable	804,518	0.03 %				
<b>Total</b>	<b>\$ 3,263,849,209</b>	<b>100.00 %</b>				

Source: Missouri Department of Revenue

\* During fiscal year 2018 the State replaced the Standard Industrial Classification System with the more consistent North American Industry Classification System to classify revenues.

**STATE OF MISSOURI  
PERSONAL INCOME TAX FILERS/LIABILITY  
FISCAL YEARS 2013 AND 2022**

**Personal Income\***

2022				
	Number of Filers	% of Total	Personal Income Tax Liability	% of Total
\$50,000 and under	2,893,070	64.56 %	\$ 1,068,929,679	13.60 %
\$50,000 - \$100,000	1,058,908	23.63 %	2,134,431,345	27.17 %
\$100,000 - \$250,000	412,511	9.20 %	2,029,785,305	25.84 %
\$250,000 - \$1,000,000	95,722	2.14 %	1,279,924,704	16.29 %
\$1,000,000 and over	20,986	0.47 %	1,343,317,222	17.10 %
<b>Total</b>	<b>4,481,197</b>	<b>100.00 %</b>	<b>\$ 7,856,388,255</b>	<b>100.00 %</b>

2013				
	Number of Filers	% of Total	Personal Income Tax Liability	% of Total
\$50,000 and under	3,270,678	75.46 %	\$ 1,281,485,674	23.07 %
\$50,000 - \$100,000	768,319	17.73 %	1,524,497,124	27.45 %
\$100,000 - \$250,000	226,312	5.22 %	1,106,697,759	19.92 %
\$250,000 - \$1,000,000	55,761	1.29 %	808,368,941	14.55 %
\$1,000,000 and over	13,234	0.30 %	833,829,363	15.01 %
<b>Total</b>	<b>4,334,304</b>	<b>100.00 %</b>	<b>\$ 5,554,878,861</b>	<b>100.00 %</b>

\*Federal Adjusted Gross Income

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available.  
The categories presented are intended to provide alternative information regarding the sources of the State's revenue.

Source: Missouri Department of Revenue

**STATE OF MISSOURI  
RATIOS OF OUTSTANDING DEBT  
FISCAL YEARS 2013-2022  
(In Thousands of Dollars Except Per Capita)**

	2022	2021*	2020	2019
<b>Governmental Activities</b>				
General Obligation Bonds	\$ 12,090	\$ 28,650	\$ 44,530	\$ 66,120
Other Bonds	1,950,235	2,164,800	2,460,650	2,523,955
Leasehold Revenue Bonds	—	20,770	22,505	24,170
Certificates of Participation	—	—	—	—
Financed Purchases	31,417	20,428	22,755	30,748
Capital Leases	—	17,721	17,904	21,425
Leases	103,613	—	—	—
<b>Total Governmental Activities</b>	<b>\$ 2,097,355</b>	<b>\$ 2,252,369</b>	<b>\$ 2,568,344</b>	<b>\$ 2,666,418</b>
<b>Business-Type Activities</b>				
Financed Purchases	\$ —	\$ —	\$ —	\$ 2
Other Bonds	57,575	—	—	—
Leases	1,874	—	—	—
<b>Total Business-Type Activities</b>	<b>\$ 59,449</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 2</b>
<b>Total Primary Government</b>	<b>\$ 2,156,804</b>	<b>\$ 2,252,369</b>	<b>\$ 2,568,344</b>	<b>\$ 2,666,420</b>
Personal Income	\$340,232,000	\$314,818,000	\$298,620,000	\$285,704,000
Debt as a Percentage of Personal Income <sup>1</sup>	0.6 %	0.7 %	0.9 %	0.9 %
Debt Per Capita <sup>1</sup>	\$ 350	\$ 366	\$ 419	\$ 441
<b>Legal Debt Margin Calculation for Fiscal Year 2022:</b>				
General Obligation Bonds Authorized (Legislative Debt Limit)	\$ 1,726,395			
Unforeseen Emergency or Casual Deficiency	1,000			
Less: General Obligation Issued	(1,489,494)			
Legal Debt Margin	<u>\$ 237,901</u>			
<b>Legal Debt Margin Summary by Fiscal Year:</b>				
Legislative Debt Limit	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395
Total Net Debt Applicable to Limit	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)
Legal Debt Margin	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>
Legal Debt Margin to Debt Limit Ratio	13.78 %	13.78 %	13.78 %	13.78 %

<sup>1</sup> These ratios are calculated using personal income and population for the calendar year.  
See *Demographic Indicators* for personal income and population data.

\*Fiscal year 2021 amounts have been restated.

\*Per GASB 87, Leasehold Revenue Bonds are considered Financed Purchases as of fiscal year 2022 and has been combined on this schedule for fiscal year 2022 and future years.

\*Per GASB 87, Capital Leases are no longer reported and Leases are reported for year 2022 and future years.

2018	2017	2016	2015	2014	2013
\$ 104,695	\$ 154,830	\$ 208,880	\$ 266,275	\$ 323,395	\$ 378,150
2,807,240	2,943,825	3,207,400	3,226,430	3,303,700	3,562,775
25,775	27,310	28,770	30,170	31,515	32,995
13,525	26,770	39,770	52,560	65,160	76,910
24,848	—	—	—	—	—
15,812	45,736	61,846	51,729	66,270	75,535
—	—	—	—	—	—
<u>\$ 2,991,895</u>	<u>\$ 3,198,471</u>	<u>\$ 3,546,666</u>	<u>\$ 3,627,164</u>	<u>\$ 3,790,040</u>	<u>\$ 4,126,365</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—
—	128	304	477	215	284
<u>\$ —</u>	<u>\$ 128</u>	<u>\$ 304</u>	<u>\$ 477</u>	<u>\$ 215</u>	<u>\$ 284</u>
<u>\$ 2,991,895</u>	<u>\$ 3,198,599</u>	<u>\$ 3,546,970</u>	<u>\$ 3,627,641</u>	<u>\$ 3,790,255</u>	<u>\$ 4,126,649</u>
\$ 266,920,797	\$ 261,547,770	\$ 257,338,334	\$ 252,482,438	\$ 245,771,389	\$ 235,153,679
1.1 %	1.2 %	1.4 %	1.4 %	1.5 %	1.8 %
\$ 489	\$ 526	\$ 583	\$ 598	\$ 627	\$ 685
\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395
(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)
<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>
13.78 %	13.78 %	13.78 %	13.78 %	13.78 %	13.78 %



**STATE OF MISSOURI  
PLEDGED REVENUE COVERAGE  
FISCAL YEARS 2013-2022  
(In Thousands of Dollars)**

Fiscal Year	Gross Revenues <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenues	Debt Service		Coverage <sup>3</sup>
				Principal	Interest	
Missouri Road Fund						
2022	\$ 2,097,367	\$ 398,126	\$ 1,699,241	\$ 232,500	\$ 61,382	5.8
2021	2,463,624	345,925	2,117,699	215,475	75,967	7.3
2020	2,022,185	395,583	1,626,602	177,764	141,069	5.1
2019	1,955,445	389,546	1,565,899	209,355	80,032	5.4
2018	2,000,651	383,969	1,616,682	200,185	89,422	5.6
2017	1,852,570	388,116	1,464,454	190,770	103,917	5.0
2016	1,831,126	372,800	1,458,326	168,470	111,751	5.2
2015	1,721,615	373,739	1,347,876	169,550	114,878	4.7
2014	1,773,033	348,537	1,424,496	162,050	130,641	4.9
2013	1,822,318	333,327	1,488,991	153,525	135,511	5.2

N/A = not available

<sup>1</sup> Revenues for Missouri Road Fund consist of a portion of the taxes and fees received by the State from the motor fuel tax, sales tax on motor vehicles, use tax on motor vehicles, revenue derived from motorists for their usage of the highways of the State, federal grants, and bond proceeds.

<sup>2</sup> Operating Expenses do not include depreciation/amortization.

<sup>3</sup> Coverage equals net available revenue divided by debt service.

Source: Missouri Department of Transportation

**STATE OF MISSOURI  
DEMOGRAPHIC INDICATORS  
CALENDAR YEARS 2012-2021**

	2021	2020	2019	2018	2017
<b>Population</b>					
Missouri (In Thousands)	6,168	6,155	6,137	6,043	6,114
Change	0.7 %	0.2 %	0.3 %	0.3 %	0.4 %
National (In Thousands)	331,894	331,449	328,240	327,167	325,719
Change	1.6 %	1.0 %	0.5 %	0.6 %	0.7 %
<b>Total Personal Income</b>					
Missouri					
(In Thousands of Dollars)	\$ 340,232,000	\$ 314,818,000	\$ 298,620,000	\$ 285,704,000	\$ 266,920,797
Change	7.0 %	5.4 %	4.5 %	6.6 %	2.1 %
National					
(In Thousands of Dollars)	\$21,056,622,000	\$19,679,715,000	\$18,542,262,000	\$17,572,929,000	\$16,413,550,863
Change	7.4 %	6.1 %	5.5 %	6.6 %	3.1 %
<b>Per Capita Personal Income</b>					
Missouri	\$ 55,159	\$ 51,177	\$ 49,589	\$ 46,635	\$ 43,661
Change	6.7 %	5.2 %	6.3 %	6.4 %	1.7 %
National	\$ 63,444	\$ 59,729	\$ 56,663	\$ 53,712	\$ 50,392
Change	7.3 %	5.8 %	5.5 %	6.2 %	2.3 %
<b>Resident Civilian Labor Force and Employment</b>					
Civilian Labor Force					
(In Thousands)	3,062	3,053	3,083	3,052	3,051
Employed (In Thousands)	2,928	2,867	2,982	2,955	2,936
Unemployed (In Thousands)	134	186	102	98	115
Unemployment Rate	4.4 %	6.1 %	3.3 %	3.2 %	3.8 %
National Unemployment Rate	5.3 %	8.1 %	3.7 %	3.9 %	4.4 %

**Continues Below**

	2016	2015	2014	2013	2012
<b>Population</b>					
Missouri (In Thousands)	6,093	6,084	6,064	6,044	6,022
Change	0.1 %	0.3 %	0.3 %	0.4 %	0.2 %
National (In Thousands)	323,128	321,419	318,857	316,129	313,914
Change	0.5 %	0.8 %	0.9 %	0.7 %	0.7 %
<b>Total Personal Income</b>					
Missouri					
(In Thousands of Dollars)	\$ 261,547,770	\$ 257,338,334	\$ 252,482,438	\$ 245,771,389	\$ 235,153,679
Change	1.6 %	1.9 %	2.7 %	4.5 %	3.0 %
National					
(In Thousands of Dollars)	\$15,912,777,000	\$15,463,981,000	\$14,683,147,000	\$14,151,427,000	\$13,401,868,693
Change	2.9 %	5.3 %	3.8 %	5.6 %	3.5 %
<b>Per Capita Personal Income</b>					
Missouri	\$ 42,926	\$ 42,300	\$ 41,639	\$ 40,663	\$ 39,049
Change	1.5 %	1.6 %	2.4 %	4.1 %	2.8 %
National	\$ 49,246	\$ 48,112	\$ 46,049	\$ 44,765	\$ 42,693
Change	2.4 %	4.5 %	2.9 %	4.9 %	2.7 %
<b>Resident Civilian Labor Force and Employment</b>					
Civilian Labor Force					
(In Thousands)	3,112	3,114	3,058	3,018	2,993
Employed (In Thousands)	2,971	2,958	2,871	2,821	2,785
Unemployed (In Thousands)	141	156	187	197	207
Unemployment Rate	4.5 %	5.0 %	6.1 %	6.5 %	6.9 %
National Unemployment Rate	4.9 %	5.3 %	6.2 %	7.4 %	8.1 %

Sources: Bureau of Economic Analysis, Missouri Economic Research and Information Center, Bureau of Labor Statistics

**STATE OF MISSOURI  
ECONOMIC INDICATORS  
CALENDAR YEARS 2012-2021**

	<b>2021-22</b>	<b>2020-21**</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>
<b>School Enrollment (In Thousands)</b>					
Elementary and Secondary Education	863	880	880	881	884
Higher Education - Private Institutions	78	80	84	87	87
Total Enrollment (In thousands)	941	960	964	968	971
% Change from Prior Year	(2.0)%	(0.4)%	(0.4)%	(0.3)%	(0.5)%
<b>Higher Education</b>					
<b>Public Community Colleges</b>					
Number of Campuses	22	23	22	22	19
Number of Students (FTE*)	45,846	47,261	50,928	52,927	55,418
<b>State Technical College</b>					
Number of Campuses	1	1	1	1	1
Number of Students (FTE)	2,007	1,866	1,710	1,467	1,242
<b>State Colleges/Universities</b>					
Number of Campuses	13	13	14	14	14
Number of Students (FTE)	101,760	104,443	108,651	112,020	115,374
<b>Continues Below</b>					
	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>
<b>School Enrollment (In Thousands)</b>					
Elementary and Secondary Education	884	885	886	888	888
Higher Education - Private Institutions	92	93	95	90	91
Total Enrollment	976	978	981	978	979
% Change from Prior Year	(0.2)%	(0.3)%	0.3 %	(0.1)%	(0.5)%
<b>Higher Education</b>					
<b>Public Community Colleges</b>					
Number of Campuses	19	19	19	19	19
Number of Students (FTE*)	57,568	57,247	61,671	65,773	67,721
<b>State Technical College</b>					
Number of Campuses	1	1	1	1	1
Number of Students (FTE)	1,226	1,273	1,276	1,325	1,236
<b>State Colleges/Universities</b>					
Number of Campuses	14	14	14	14	14
Number of Students (FTE)	119,127	121,827	121,358	118,669	118,055

\*FTE is Full-Time Equivalent.

\*\*Year 2020-21 has been restated.

Sources: Missouri Department of Elementary and Secondary Education and Missouri Department of Higher Education and Workforce Development.

**STATE OF MISSOURI  
PRINCIPAL EMPLOYERS  
CALENDAR YEARS 2012 AND 2021**

**2021**

<b>Employer</b>	<b>Number of Employees</b>	<b>Percent of Total State Employment</b>
State of Missouri <sup>1</sup>	50,000+	1.71%
Wal-Mart Associates, Inc.	40,000+	1.37%
Mercy Health Systems	25,000 - 30,000	0.85% - 1.02%
University of Missouri	20,000 - 25,000	0.68% - 0.85%
Washington University	15,000 - 20,000	0.51% - 0.68%
Boeing Corporation	15,000 - 20,000	0.51% - 0.68%
U.S. Post Office	10,000 - 15,000	0.34% - 0.51%
Cerner Corporation	10,000 - 15,000	0.34% - 0.51%
Barnes-Jewish Hospitals	7,500 - 10,000	0.26% - 0.34%
Lester E Cox Medical Centers	7,500 - 10,000	0.26% - 0.34%
SSM health	7,500 - 10,000	0.26% - 0.34%
Total	207,500 - 245,000,	7.09% - 8.37%
<b>Total Missouri Employment</b>		<b>2,928,368</b>

**2012**

<b>Employer</b>	<b>Number of Employees</b>	<b>Percent of Total State Employment</b>
State of Missouri <sup>1</sup>	57,000	2.05%
Wal-Mart Associates, Inc.	20,000+	0.72%
University of Missouri	20,000+	0.72%
Washington University	15,000 - 20,000	0.54% - 0.72%
U.S. Post Office	15,000 - 20,000	0.54% - 0.72%
Boeing Corporation	10,000 - 15,000	0.36% - 0.54%
Barnes-Jewish Hospitals	7,500 - 10,000	0.27% - 0.36%
U.S. Department of Defense	7,500 - 10,000	0.27% - 0.36%
Schnuck Markets, Inc.	7,500 - 10,000	0.27% - 0.36%
Department of Veterans Affairs	7,500 - 10,000	0.27% - 0.36%
Division of Adult Institutions	5,000 - 7,500	0.18% - 0.27%
Total	172,000 - 199,500	6.17% - 7.16%
<b>Total Missouri Employment</b>		<b>2,785,467</b>

All figures are based on a calendar-year average.

<sup>1</sup>Number of state employees includes only full-time personnel and does not include college or university employees.

Sources: Missouri Economic Research and Information Center, State of Missouri ACFR-Fiscal Year 2012, State Employee Headcount report

**STATE OF MISSOURI  
STATE EMPLOYEES BY FUNCTION  
FISCAL YEARS 2013-2022  
FULL-TIME EQUIVALENTS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Government</b>										
Legislature	635	647	644	652	665	663	670	667	671	670
Judiciary	3,336	3,385	3,383	3,430	3,551	3,558	3,543	3,519	3,530	3,470
Public Defender	622	597	606	605	578	579	577	573	575	565
Governor	27	29	32	33	30	18	21	22	23	26
Lt. Governor	15	17	17	8	7	6	7	6	5	5
Secretary of State	207	209	217	223	220	217	235	233	228	244
State Auditor	99	104	106	116	111	109	108	113	113	111
State Treasurer	42	45	44	46	46	46	45	46	49	48
Attorney General	339	359	370	347	351	351	359	373	376	363
Office of Administration	1,724	1,726	1,775	1,846	1,859	1,907	1,881	1,871	1,933	2,132
Revenue	1,154	1,292	1,311	1,297	1,283	1,289	1,283	1,288	1,347	1,344
Total General Government	<u>8,200</u>	<u>8,410</u>	<u>8,505</u>	<u>8,603</u>	<u>8,701</u>	<u>8,743</u>	<u>8,729</u>	<u>8,711</u>	<u>8,850</u>	<u>8,978</u>
<b>Education</b>										
Elementary and Secondary Education	2,081	2,198	2,283	2,512	2,620	2,555	2,663	2,639	2,678	2,631
Higher Education and Workforce Development	324	323	306	58	56	55	57	57	57	64
Total Education	<u>2,405</u>	<u>2,521</u>	<u>2,589</u>	<u>2,570</u>	<u>2,676</u>	<u>2,610</u>	<u>2,720</u>	<u>2,696</u>	<u>2,735</u>	<u>2,695</u>
<b>Natural and Economic Resources</b>										
Agriculture	402	396	412	431	483	476	495	495	464	456
Commerce and Insurance	912	928	937	744	733	762	770	765	762	759
Conservation	1,691	1,755	1,816	1,835	1,871	1,898	1,871	1,895	1,896	1,901
Economic Development Labor and Industrial Relations	242	238	240	793	800	812	800	810	786	822
Natural Resources	625	649	643	657	701	742	796	827	881	967
Total Natural and Economic Resources	<u>1,702</u>	<u>1,678</u>	<u>1,789</u>	<u>1,830</u>	<u>1,842</u>	<u>1,981</u>	<u>2,023</u>	<u>1,974</u>	<u>2,075</u>	<u>2,047</u>
	<u>5,574</u>	<u>5,644</u>	<u>5,837</u>	<u>6,290</u>	<u>6,430</u>	<u>6,671</u>	<u>6,755</u>	<u>6,766</u>	<u>6,864</u>	<u>6,952</u>
<b>Transportation and Law Enforcement</b>										
Transportation	5,106	5,288	5,248	5,497	5,471	5,545	5,444	5,591	5,502	5,410
Public Safety	5,398	5,646	5,723	5,490	5,449	5,316	5,240	5,193	5,220	5,320
Total Transportation and Law Enforcement	<u>10,504</u>	<u>10,934</u>	<u>10,971</u>	<u>10,987</u>	<u>10,920</u>	<u>10,861</u>	<u>10,684</u>	<u>10,784</u>	<u>10,722</u>	<u>10,730</u>
<b>Human Services</b>										
Health and Senior Services	1,666	1,829	1,838	1,794	1,825	1,831	1,825	1,830	1,793	1,798
Mental Health	7,704	7,839	7,852	7,704	7,836	7,728	7,605	7,742	8,076	8,101
Social Services	5,799	6,225	6,492	6,537	6,670	6,735	6,952	7,147	7,145	7,244
Corrections	8,289	8,914	9,459	10,179	10,568	10,866	10,929	11,051	11,069	10,880
Total Human Services	<u>23,458</u>	<u>24,807</u>	<u>25,641</u>	<u>26,214</u>	<u>26,899</u>	<u>27,160</u>	<u>27,311</u>	<u>27,770</u>	<u>28,083</u>	<u>28,023</u>
State Total	<u>50,141</u>	<u>52,316</u>	<u>53,543</u>	<u>54,664</u>	<u>55,626</u>	<u>56,045</u>	<u>56,199</u>	<u>56,727</u>	<u>57,254</u>	<u>57,378</u>

\*Based on a four quarter average.

Source: Office of Administration, Division of Accounting, Statewide Indirect Cost Allocation Plan

**STATE OF MISSOURI  
OPERATING INDICATORS BY FUNCTION  
FISCAL YEARS 2013-2022**

	2022	2021	2020	2019
<b>General Government</b>				
Individual Income Tax Returns Processed (In Thousands)	3,212	3,645	2,931	3,102
Sales and Use Tax Returns Processed (In Thousands)	762	730	797	765
Driver Licenses Processed (In Thousands)	1,284	1,363	1,105	1,324
Motor Vehicle Registrations Processed (In Thousands)	3,167	3,531	3,448	5,930
Audit Reports Issued	134	131	132	155
Statewide Court Filings (In Thousands)	1,424	1,597	1,861	1,902
Archives Website Hit				
Secretary of State Web Page (In Thousands)	14,345	19,608	26,029	24,998
Checks Issued (In Thousands)	1,194	1,271	1,302	1,332
Unclaimed Property Returned (In Thousands)	\$ 50,235	\$ 47,180	\$ 41,009	\$ 45,083
<b>Education</b>				
High School Drop Out Rate	2.1 %	1.5 %	1.5 %	2.2 %
Accredited Elementary and Secondary School Districts*	510	508	508	508
Clients Achieving Employment after Receiving Vocational Rehabilitation Services	55.5 %	50.9 %	55.4 %	53.1 %
Student Loan Recovery Rate	4.5 %	15.4 %	28.2 %	31.0 %
Scholarships/Grants Awarded to Eligible Missouri Residents (In Thousands)	\$ 139,602	\$ 129,826	\$ 134,414	\$ 128,967
<b>Natural and Economic Resources</b>				
Job Placement Rate of Unemployed Individuals that Registered on Great Hires Web Page**	59.4 %	61.0 %	68.6 %	70.7 %
Insurance Policies Filed Electronically	100.0 %	100.0 %	100.0 %	100.0 %
Initial Unemployment Claims (In Thousands)	253	523	828	184
International Export Certificates Issued	8,000	7,199	6,013	6,802
Hunting License Holders (In Thousands)	557	559	571	561
Visitors to Missouri State Parks and Historic Sites (In Thousands)	22,547	21,148	18,482	21,107
<b>Transportation and Law Enforcement</b>				
Methamphetamine Labs Seized	1	1	1	2
State - Licensed Fire Safety Inspections	7,123	10,725	10,477	13,543
Buildings Served by Missouri Capitol Police	72	72	72	72
Alcohol Licenses Issued	34,454	31,037	32,822	34,028
Missouri Major Roads Rated in Good Condition	90.3 %	90.6 %	91.1 %	91.5 %
Difference Between Awarded and Actual Transportation Construction Costs	(0.10)%	2.30 %	(0.03)%	1.50 %
<b>Human Services</b>				
Medicaid Enrollees	1,299,172	1,098,103	939,919	858,077
Food Stamp Recipients	656,973	695,200	773,079	682,299
Doses of Vaccine Issued by Vaccines for Children Providers (In Thousands)	1,031	1,087	1,104	1,162
Incarcerated Offenders	23,510	23,153	24,035	28,172
Individuals Served in State Comprehensive Psychiatric Service Facilities	1,509	1,548	1,550	1,607

\*Department of Elementary and Secondary Education presented no accreditation classifications to the Board of Education during fiscal year 2013. Charter schools are not included in the statistics.

\*\* In Fiscal Year 2019 the web page changed from MissouriCareerSource to Great Hires.

Sources: State agencies

	2018		2017		2016		2015		2014		2013
	3,103		3,060		3,098		3,058		2,848		2,945
	694		707		707		705		703		730
	1,183		1,487		1,123		1,600		1,415		1,308
	4,221		3,770		3,993		4,479		4,215		4,050
	155		147		135		143		150		146
	1,923		2,098		2,370		2,624		2,652		2,685
	29,498		28,714		18,232		72,045		87,436		98,233
	1,537		1,592		1,697		1,550		1,363		1,722
\$	44,697	\$	44,369	\$	42,038	\$	41,720	\$	40,042	\$	39,509
	2.4 %		2.4 %		2.5 %		2.5 %		2.8 %		3.0 %
	512		512		518		507		507		—
	56.2 %		60.1 %		60.9 %		61.7 %		60.0 %		62.7 %
	25.5 %		26.0 %		23.3 %		26.4 %		31.2 %		34.2 %
\$	121,753	\$	129,623	\$	119,948	\$	111,342	\$	107,413	\$	104,265
	71.6 %		64.9 %		65.7 %		60.7 %		56.0 %		55.4 %
	100.0 %		100.0 %		99.7 %		99.5 %		99.4 %		99.4 %
	217		239		259		295		355		364
	7,619		8,110		6,773		7,926		6,453		7,819
	596		603		607		610		612		606
	21,559		21,273		19,205		18,568		17,468		18,093
	8		11		7		70		129		244
	17,903		18,459		19,459		13,434		15,348		15,680
	71		71		74		72		72		72
	32,972		32,319		31,404		31,400		30,743		30,723
	91.6 %		90.0 %		90.4 %		89.2 %		89.7 %		88.5 %
	0.02 %		0.1 %		1.1 %		0.6 %		0.8 %		0.5 %
	971,143		983,835		982,776		944,257		825,974		868,226
	727,131		754,062		782,374		844,851		839,734		927,927
	1,208		1,243		1,226		1,174		1,192		1,385
	31,726		32,537		32,837		32,284		31,905		31,408
	1,611		1,652		1,683		1,628		1,649		1,694

**STATE OF MISSOURI  
CAPITAL ASSET STATISTICS  
BY FUNCTION  
FISCAL YEARS 2013-2022**

	2022	2021	2020	2019	2018
<b>General Government</b>					
Parcels of Land	23	23	22	23	23
Land Improvements	72	72	70	70	70
Square Footage of Buildings	1,171,178	1,146,454	1,146,454	1,130,336	1,062,507
Equipment	45,630	45,928	43,881	41,941	41,961
Software	3,532	3,361	3,123	2,940	2,940
<b>Education</b>					
Parcels of Land	31	31	31	31	31
Land Improvements	55	55	55	55	55
Square Footage of Buildings	224,658	185,350	185,350	165,291	158,235
Equipment	5,232	5,190	5,096	4,211	4,212
Software	7	4	1	—	—
Trademarks	1	1	1	1	1
<b>Natural and Economic Resources</b>					
Parcels of Land	897	900	892	885	888
Land Improvements	530	530	528	476	478
Temporary Easements	1	1	1	1	1
Square Footage of Buildings	588,460	547,595	547,595	561,296	583,682
Equipment	24,579	25,170	26,182	26,581	26,475
Software	305	302	7	318	96
State Parks and Historic Sites	92	92	91	91	91
State Conservation Areas	1,203	1,192	1,188	1,217	1,197
<b>Transportation and Law Enforcement</b>					
Parcels of Land	612	612	612	617	617
Land Improvements	534	528	498	495	495
Permanent Easements	1,310	1,107	751	751	719
Temporary Easements	1,551	1,147	602	602	593
Square Footage of Buildings	193,110	191,671	191,671	189,651	185,777
Equipment	75,455	74,186	72,492	72,773	72,869
Software	813	854	941	870	870
Miles of State Highway	33,286	33,830	33,838	33,838	33,859
State-Owned Bridges and Culverts	10,387	10,399	10,384	10,384	10,385
Highway Patrol Stations	9	9	9	9	9
<b>Human Services</b>					
Parcels of Land	71	71	71	80	80
Land Improvements	169	161	156	171	171
Square Footage of Buildings	981,234	843,670	843,670	862,583	920,530
Equipment	34,768	34,961	34,120	35,441	35,446
Software	135	120	100	89	89
Correctional Facilities	28	28	28	28	29

Source: State of Missouri capital asset records by agency.  
Year 2021 has been restated.



2017	2016	2015	2014	2013
21	21	20	20	20
61	61	59	58	50
1,066,968	1,068,854	1,032,098	1,035,704	1,014,621
39,396	36,159	34,548	35,055	36,050
2,717	2,260	1,961	1,625	826
31	31	31	31	31
55	56	54	54	54
157,190	156,710	136,074	136,203	140,159
4,249	4,357	5,039	6,286	6,175
—	—	—	—	—
1	1	1	1	1
880	847	835	826	826
456	427	426	408	386
1	1	1	1	1
582,846	582,847	574,076	575,485	602,174
26,318	26,859	26,859	34,028	35,159
91	80	68	57	51
91	88	87	87	87
1,198	1,190	1,186	1,189	1,197
620	623	628	650	682
486	476	474	439	420
674	638	593	548	467
542	654	797	867	875
183,676	181,743	179,183	181,880	180,140
72,030	67,114	67,103	66,095	65,813
798	710	616	529	429
33,856	33,873	33,892	33,890	33,885
10,394	10,394	10,376	10,371	10,364
9	9	9	9	9
81	81	81	81	81
178	174	175	173	168
916,936	917,901	926,098	924,164	919,900
36,481	41,777	43,545	44,712	46,221
86	82	70	59	32
29	29	30	30	30

**Report Prepared by:**

***Financial Reporting Section***

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# Scott Fitzpatrick

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## Missouri State Auditor

### Compilation of 2022 Federal Forfeiture Reports

Report No. 2023-009

March 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Compilation of 2022 Federal Forfeiture Reports

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

Section 513.653.1, RSMo, requires law enforcement agencies involved in using the federal forfeiture system under federal law to file a copy of the federal form entitled "ACA Form - Equitable Sharing Agreement and Certification" regarding federal seizures and the proceeds thereof with the State Auditor's Office. Although Section 513.653.1, RSMo, only requires my office to receive these reports, we compiled the information the law enforcement agencies filed with us. We have not audited the forms submitted and, accordingly, do not express an opinion or any other form of assurance on them, including whether or not an agency is in compliance with the statute. The primary objectives of this compilation were to:

1. Identify the reporting status of law enforcement agencies.
2. Summarize the information reported.

Conclusions regarding compliance cannot be made for law enforcement agencies that did not submit a form.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Compilation of 2022 Federal Forfeiture Reports

## Executive Summary

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### Executive Summary

Section 513.653, RSMo, requires law enforcement agencies involved in using the federal forfeiture system under federal law to annually file a copy of the federal form entitled "ACA Form - Equitable Sharing Agreement and Certification" regarding federal seizures and the proceeds received therefrom with the State Auditor's Office (SAO) by February 15th for the previous calendar year. The law provides that any law enforcement agency that intentionally or knowingly fails to comply with the reporting requirement shall be ineligible to receive state or federal funds that would otherwise be paid to such agency for law enforcement, safety, or criminal justice purposes.

The U.S. Departments of Justice and Treasury publication, *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies*, states "the Department of Justice and Department of Treasury Asset Forfeiture Programs are, first and foremost, law enforcement programs. They remove the tools of crime from criminal organizations, deprive wrongdoers of the proceeds of their crimes, recover property that may be used to compensate victims, and deter crime." Any state or local law enforcement agency that directly participates in an investigation or prosecution resulting in a federal forfeiture may request an equitable share of the net proceeds of the forfeiture. Equitably shared funds must be used for law enforcement purposes, except as noted in the publication, and must increase or supplement the resources of the receiving law enforcement agency. In addition to reporting requirements under state law, there are also various program mandated accounting, reporting, and audit requirements.

To determine the law enforcement agencies to notify of the required filing with the SAO, we requested information from the Missouri Department of Public Safety (DPS). The DPS compiled a list of law enforcement agencies using information from the Peace Officer Standards and Training program and the Justice Assistance Grants distribution lists. The SAO notified the listed agencies of the requirement to submit a copy of the required form if the agencies participated in the federal forfeiture system. According to DPS personnel, the list does not represent a complete list of all agencies, but includes all agencies with commissioned officers or drug task forces receiving funding from the DPS.

The list we received from the DPS included 659 agencies. An additional 2 agencies, not included on the list provided by DPS, filed reports with the SAO. Officials from 10 political subdivisions associated with agencies on the list indicated those agencies were not in operation during 2022. Those agencies are identified on Appendix C. This report indicates agencies that filed copies of the form by February 28, 2023.



## Compilation of 2022 Criminal Activity Forfeiture Act Seizures Executive Summary

The following table summarizes these reports.

Reporting Status	Number	Percentage
Number of agencies reporting (Appendix A and B)	118	17.85
Number of agencies not reporting (Appendix C)	543	82.15
Total Possible Reports	661	100.00

A total of 118 agencies filed a copy of the federal form with the SAO. These agencies are identified on Appendixes A and B.

Of the 659 agencies included in the list provided by DPS, 543 did not provide a copy of the form. Agencies were not required to provide a copy of the form if they did not participate in the federal forfeiture system. These agencies are identified on Appendix C.

Conclusions regarding compliance cannot be made for non-reporting agencies. This compilation work is not an audit and, as such, no verification was performed as to whether these agencies did or did not participate in the federal forfeiture system.

Appendix A  
 Compilation of 2022 Federal Forfeiture Reports  
 Summary of Information Reported for Justice Funds

	Name	Fiscal Year End	Justice Funds									
			Beginning Equitable Sharing Fund Balance	Equitable Sharing Funds Received from Task Force			Other Income	Interest Income	Total Equitable Sharing Funds		Equitable Sharing Funds Spent	Ending Equitable Sharing Funds Balance
				Equitable Sharing Funds Received	Equitable Sharing Funds other LEA and Task Force	Received from Task Force			Received	Spent		
1	Audrain County Sheriff's Office	12/31/2021	22,670.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22,670.80
2	Ballwin Police Department	12/31/2021	29,743.14	0.00	0.00	0.00	0.00	39.21	39.21	19,040.10	0.00	10,742.25
3	Bates County Sheriff's Office	12/31/2021	1,512.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,512.83
4	Bellefontaine Neighbors Police Department	6/30/2022	162,167.95	10,392.72	0.00	0.00	0.00	0.00	10,392.72	1,000.00	0.00	171,560.67
5	Berkeley Police Department	6/30/2022	125,723.93	0.00	0.00	0.00	0.00	0.00	0.00	4,869.32	0.00	120,854.61
6	Bolivar Police Department	12/31/2021	5,405.99	0.00	0.00	0.00	0.00	0.00	0.00	5,405.99	0.00	0.00
7	Boone County Sheriff's Office	12/31/2021	141,751.25	72,656.05	0.00	0.00	0.00	1,436.59	74,092.64	0.00	0.00	215,843.89
8	Branson Police Department	12/31/2021	12,414.18	0.00	0.00	0.00	0.00	10.94	10.94	3,700.00	0.00	8,725.12
9	Brentwood Police Department	12/31/2021	117,011.24	0.00	0.00	0.00	8,100.00	0.00	8,100.00	2,030.00	0.00	123,081.24
10	Bridgeton Police Department	12/31/2021	507,225.30	837.04	0.00	0.00	0.00	0.00	837.04	151,800.07	0.00	356,262.27
11	Brookfield Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Butler County Sheriff's Office	12/31/2021	786.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	786.49
13	Cabool Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Callaway County Sheriff's Office	12/31/2021	4,368.24	0.00	0.00	0.00	0.00	0.63	0.63	0.00	0.00	4,368.87
15	Camden County Sheriff's Office	6/30/2022	1,015.56	0.00	0.00	0.00	0.00	0.00	0.00	1,015.56	0.00	0.00
16	Camdenton Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Cameron Police Department	9/30/2022	340.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	340.00
18	Cape Girardeau County Sheriff's Office	12/31/2021	20,718.03	0.00	0.00	0.00	0.00	231.84	231.84	0.00	0.00	20,949.87
19	Cape Girardeau Police Department	6/30/2022	293,920.31	83,339.36	0.00	0.00	7,283.00	662.23	91,284.59	135,713.23	0.00	249,491.67
20	Charleston Department of Public Safety	4/30/2022	23,539.90	0.00	0.00	0.00	0.00	58.92	58.92	0.00	0.00	23,598.82
21	Christian County Sheriff's Office	12/31/2021	87,440.42	2,344.06	0.00	0.00	0.00	347.83	2,691.89	12,339.64	0.00	77,792.67
22	Clayton Police Department	9/30/2022	1,080,228.85	0.00	0.00	0.00	0.00	9,348.12	9,348.12	38,999.06	0.00	1,050,577.91
23	Clinton County Sheriff's Office	12/31/2021	1,432.82	0.00	0.00	0.00	0.00	7.97	7.97	1,440.79	0.00	0.00
24	Cole County Sheriff's Office	12/31/2021	70,664.36	0.00	0.00	0.00	0.00	0.00	0.00	19,067.64	0.00	51,596.72
25	Columbia Police Department	9/30/2022	182,164.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	182,164.47
26	Cottleville Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Crawford County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Creve Coeur Police Department	6/30/2022	14,054.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,054.38
29	Dent County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30	Dexter Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31	Dunklin County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
32	Eureka Police Department	6/30/2022	5,779.94	0.00	0.00	0.00	2,125.00	1.75	2,126.75	0.00	0.00	7,906.69
33	Farmington Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Florissant Police Department	11/30/2021	212,618.04	104,498.59	0.00	0.00	0.00	17.13	104,515.72	0.00	0.00	317,133.76



Appendix A  
Compilation of 2022 Federal Forfeiture Reports  
Summary of Information Reported for Justice Funds

	Name	Fiscal Year End	Justice Funds									
			Beginning Equitable Sharing Fund Balance	Equitable Sharing Funds Received from Task Force			Other Income	Interest Income	Total Equitable Sharing Funds Received		Equitable Sharing Funds Spent	Ending Equitable Sharing Funds Balance
				Equitable Sharing Funds Received	Equitable Sharing Funds other LEA and Task Force	Equitable Sharing Funds Received from Task Force			Sharing Funds Received	Sharing Funds Received		
35	Frontenac Police Department	6/30/2022	0.00	31,692.63	0.00	0.00	0.00	0.00	0.00	31,692.63	0.00	31,692.63
36	Glendale Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
37	Grain Valley Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
38	Greene County Prosecuting Attorney's Office	12/31/2021	6,148.10	684.73	0.00	0.00	0.00	27.61	712.34	0.00	0.00	6,860.44
39	Greene County Sheriff's Office	12/31/2021	33,526.00	13,898.78	0.00	0.00	18,012.92	125.89	32,037.59	61,899.83	0.00	3,663.76
40	Grundy County Sheriff's Office	12/31/2021	215,172.59	0.00	0.00	0.00	679.00	0.00	679.00	65,692.66	0.00	150,158.93
41	Hannibal Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
42	Harrisonville Police Department	12/31/2021	0.00	18,175.65	0.00	0.00	0.00	0.00	18,175.65	0.00	0.00	18,175.65
43	Hayti Police Department	6/30/2022	3,599.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,599.40
44	Hazelwood Police Department	6/30/2022	218,130.95	164,903.59	0.00	0.00	0.00	0.00	164,903.59	56,246.46	0.00	326,788.08
45	Henry County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
46	Howell County Sheriff's Office	12/31/2021	3,271.14	0.00	0.00	0.00	0.00	45.25	45.25	0.00	0.00	3,316.39
47	Independence Police Department	6/30/2022	69,211.34	8,818.56	0.00	0.00	0.00	172.37	8,990.93	14,739.84	0.00	63,462.43
48	Jackson County Sheriff's Office	12/31/2021	225,805.50	53,416.13	0.00	0.00	0.00	112.53	53,528.66	0.00	0.00	279,334.16
49	Jackson Police Department	12/31/2021	6,016.99	0.00	0.00	0.00	0.00	0.00	0.00	2,399.92	0.00	3,617.07
50	Jasper County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
51	Jefferson County Sheriff's Office	12/31/2021	699,961.67	38,908.06	0.00	0.00	0.00	693.89	39,601.95	367,933.04	0.00	371,630.58
52	Johnson County Sheriff's Office	12/31/2021	23,132.52	5,599.85	0.00	0.00	0.00	43.97	5,643.82	0.00	0.00	28,776.34
53	Joplin Police Department	10/31/2022	105,582.83	0.00	0.00	0.00	0.00	369.57	369.57	8,579.96	0.00	97,372.44
54	Kansas City International Airport Police Division	4/30/2022	276,019.99	31,475.64	0.00	0.00	0.00	3,709.66	35,185.30	0.00	0.00	311,205.29
55	Kansas City Police Department	4/30/2022	1,982,440.57	972,537.38	0.00	0.00	0.00	9,999.60	982,536.98	706,504.50	0.00	2,258,473.05
56	Kirksville Police Department	12/31/2021	12,400.00	0.00	0.00	0.00	0.00	0.00	0.00	925.00	0.00	11,475.00
57	Lafayette County Sheriff's Office	12/31/2021	4,196.12	12,834.74	0.00	0.00	0.00	0.00	12,834.74	8,636.19	0.00	8,394.67
58	Lake St. Louis Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
59	Lawrence County Sheriff's Office	12/31/2021	18,044.40	4,655.30	0.00	0.00	0.00	0.00	4,655.30	17,745.00	0.00	4,954.70
60	Lebanon Police Department	6/30/2022	335.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	335.89
61	Lee's Summit Police Department	6/30/2022	203,477.44	30,516.26	0.00	0.00	0.00	809.19	31,325.45	0.00	0.00	234,802.89
62	Lewis County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
63	Lincoln County Sheriff's Office	12/31/2021	1,376.52	1,733,301.38	0.00	0.00	0.00	4,422.98	1,737,724.36	481,874.02	0.00	1,257,226.86 A
64	Malden Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 BC
65	Manchester Police Department	12/31/2021	77,071.40	0.00	0.00	0.00	0.00	0.00	0.00	12,797.40	0.00	64,274.00 E
66	Maryland Heights Police Department	12/31/2021	425,713.98	1,652.26	0.00	0.00	0.00	0.00	1,652.26	163,448.32	0.00	263,917.92 E
67	Maryville Department of Public Safety	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
68	Mississippi County Sheriff's Office	12/31/2021	16,503.52	0.00	0.00	0.00	0.00	60.38	60.38	11,144.15	0.00	5,419.75

Appendix A  
Compilation of 2022 Federal Forfeiture Reports  
Summary of Information Reported for Justice Funds

	Name	Fiscal Year End	Justice Funds									
			Beginning Equitable Sharing Fund Balance	Equitable Sharing Funds Received from Task Force			Other Income	Interest Income	Total Equitable Sharing Funds Received		Equitable Sharing Funds Spent	Ending Equitable Sharing Funds Balance
				Equitable Sharing Funds Received	Equitable Sharing Funds other LEA and Task Force	Equitable Sharing Funds Received from Task Force			Equitable Sharing Funds Received	Equitable Sharing Funds Spent		
69	Missouri State Highway Patrol	6/30/2022	593,969.80	425,468.79	0.00	0.00	40,089.42	2,796.72	468,354.93	135,171.18	927,153.55	
70	Moberly Police Department	6/30/2022	4,320.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,320.59	
71	Monett Police Department	3/31/2022	527.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	527.01	
72	Nevada Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
73	Newton County Sheriff's Office	12/31/2021	15,092.14	0.00	0.00	0.00	0.00	90.35	90.35	500.00	14,682.49	
74	Nixa Police Department	12/31/2021	5,067.95	0.00	0.00	0.00	0.00	10.39	10.39	3,698.00	1,380.34	
75	Nodaway County Sheriff's Office	12/31/2021	0.00	11,015.82	0.00	0.00	0.00	0.00	11,015.82	3,252.02	7,763.80	B
76	North Kansas City Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
77	O'Fallon Police Department	12/31/2021	623,591.30	138,270.62	0.00	0.00	0.00	2,097.92	140,368.54	252,137.05	511,822.79	
78	Overland Police Department	6/30/2022	149,261.58	0.00	0.00	0.00	0.00	8.15	8.15	119,739.16	29,530.57	
79	Ozark Police Department	12/31/2021	6,713.85	4,231.66	0.00	0.00	23,150.00	251.30	27,632.96	109.81	34,237.00	
80	Peculiar Police Department	9/30/2022	475.57	0.00	0.00	0.00	33,084.00	0.00	33,084.00	26,586.45	6,973.12	
81	Pemiscot County Sheriff's Office	12/31/2021	86,660.51	0.00	0.00	0.00	0.00	266.66	266.66	16,145.85	70,781.32	
82	Pettis County Sheriff's Office	12/31/2021	1,664.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,664.00	
83	PHELPS County Prosecuting Attorney's Office	12/31/2021	125,128.43	0.00	0.00	0.00	0.50	567.73	568.23	60,265.09	65,431.57	
84	PHELPS County Sheriff's Office	12/31/2021	1,550,829.04	0.00	0.00	0.00	46,479.78	1,884.19	48,363.97	402,563.95	1,196,629.06	
85	Platte County Sheriff's Office	12/31/2021	130,002.89	7,911.21	0.00	0.00	0.00	653.50	8,564.71	12,321.26	126,246.34	
86	Pleasant Valley Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
87	Richmond Heights Police Department	6/30/2022	388,603.43	22,721.59	0.00	0.00	0.00	0.00	22,721.59	24,292.57	387,032.45	
88	Roek Hill Police Department	3/31/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
89	Rolla Police Department	9/30/2022	853,040.74	0.00	0.00	0.00	0.00	1,654.12	1,654.12	331,002.23	523,692.63	
90	Sedalia Police Department	3/31/2022	39,131.00	21,920.09	0.00	0.00	0.00	0.00	21,920.09	23,265.00	37,786.09	
91	Shrewsbury Police Department	12/31/2021	44,181.71	56,698.66	0.00	0.00	0.00	0.00	56,698.66	23,625.02	77,255.35	AD
92	Springfield Police Department	6/30/2022	24,056.17	40,973.28	0.00	0.00	0.00	106.17	41,079.45	64,476.63	658.99	
93	St. Ann Police Department	12/31/2021	23,704.93	46,976.95	0.00	0.00	0.00	0.00	46,976.95	70,681.88	0.00	
94	St. Charles City Police Department	12/31/2021	113,303.90	71,342.38	0.00	0.00	0.00	0.00	71,342.38	53,116.00	131,530.28	A
95	St. Charles County Police Department	12/31/2021	1,963,373.42	1,397,054.49	0.00	0.00	8,839.11	14,934.85	1,420,828.45	1,021,353.60	2,362,848.27	
96	St. Charles County Sheriff's Office	12/31/2021	0.00	815.22	0.00	0.00	0.00	0.00	815.22	0.00	815.22	
97	St. Clair Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
98	St. Francois County Sheriff's Office	12/31/2021	28,815.27	61,184.09	0.00	0.00	0.00	45.98	61,230.07	32,465.72	57,579.62	
99	St. John Police Department	12/31/2021	46,256.05	61,184.09	0.00	0.00	0.00	16.53	61,200.62	54,161.52	53,295.15	E
100	St. Joseph Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
101	St. Louis Airport Police Department	6/30/2022	2,251,426.14	67,089.39	0.00	0.00	0.00	2,811.45	69,900.84	2,577.81	2,318,749.17	
102	St. Louis County Police Department	12/31/2021	2,278,845.05	1,252,171.11	0.00	0.00	17,857.56	29,596.67	1,299,625.34	742,836.48	2,835,633.91	E

Appendix A  
Compilation of 2022 Federal Forfeiture Reports  
Summary of Information Reported for Justice Funds

Justice Funds											
Name	Fiscal Year End	Beginning Equitable Sharing Fund Balance	Equitable Sharing Funds			Other Income	Interest Income	Total		Ending Equitable Sharing Funds Balance	
			Equitable Sharing Funds Received	Received from other LEA and Task Force	Equitable Sharing Funds Received			Equitable Sharing Funds Spent			
103 St. Peters Police Department	9/30/2022	351,304.64	135,857.67	0.00	0.00	1,106.69	136,964.36	20,637.19	467,631.81		
104 Ste. Genevieve County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
105 Strafford Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
106 Sunset Hills Police Department	12/31/2021	193.33	0.00	0.00	0.00	0.00	0.00	189.34	3.99		
107 Taney County Sheriff's Office	12/31/2021	79.38	0.00	0.00	0.00	10.72	10.72	0.00	90.10		
108 Texas County Sheriff's Office	12/31/2021	12.00	0.00	0.00	0.00	0.00	0.00	0.00	12.00		
109 Town and Country Police Department	12/31/2022	9,520.35	0.00	0.00	0.00	92.43	92.43	2,967.67	6,645.11		
110 Trenton Police Department	4/30/2022	230.73	0.00	0.00	0.00	0.13	0.13	14.02	216.84		
111 Troy Police Department	6/30/2022	4.34	0.00	0.00	0.00	0.12	2,302.75	0.00	2,307.09		
112 Vernon County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
113 Warren County Sheriff's Office	12/31/2021	1,202.92	0.00	0.00	0.00	5.09	5.09	500.00	708.01		
114 Warrensburg Police Department	9/30/2022	2,759.56	0.00	0.00	0.00	0.00	0.00	0.00	2,759.56		
115 Wayne County Sheriff's Office	12/31/2021	4,149.01	0.00	0.00	0.00	0.00	0.00	3,500.00	649.01		
116 Waynesville Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
117 Webster Groves Police Department	6/30/2022	20,553.32	28,531.87	0.00	0.00	0.00	28,531.87	606.82	48,478.37		
118 Wentzville Police Department	12/31/2021	16,497.12	0.00	0.00	0.00	0.00	0.00	0.00	16,497.12		
Total		\$ 19,506,386.45	7,248,557.74	0.00	208,002.92	91,763.91	7,548,324.57	5,881,747.01	21,172,964.01		

Note: This appendix shows the categories on the Annual Certification Report section of the ACA Form - Equitable Sharing Agreement and Certification and what each agency reported.

- A The agency submitted a copy of the form after the February 15, 2023 deadline.
- B The agency's form reported no activity in the Justice Funds section of the annual certification.
- C The agency filed a 2021 form after February 28, 2022.
- D The agency did not file a form in 2021, but has a beginning balance in 2022.
- E The agency's ending balance reported for 2021 does not agree with the beginning balance for the report filed for 2022.

Appendix B  
Compilation of 2022 Federal Forfeiture Reports  
Summary of Information Reported for Treasury Funds

Treasury Funds											
	Name	Fiscal Year End	Beginning		Equitable		Total		Equitable		Ending
			Equitable Sharing Fund Balance	Equitable Sharing Funds Received	Sharing Funds Received from other LEA and Task Force	Other Income	Interest Income	Equitable Sharing Funds Received	Equitable Sharing Funds Spent	Equitable Sharing Funds Balance	
1	Audrain County Sheriff's Office	12/31/2021	0.00	15,925.03	0.00	0.00	13.81	15,938.84	1,200.00	14,738.84	
2	Ballwin Police Department	12/31/2021	47,000.25	0.00	0.00	0.00	61.35	61.35	22,463.00	24,598.60	
3	Bates County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
4	Bellefontaine Neighbors Police Department	6/30/2022	36,087.41	0.00	0.00	0.00	0.00	0.00	328.99	35,758.42	
5	Berkeley Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
6	Bolivar Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
7	Boone County Sheriff's Office	12/31/2021	32,685.66	117,609.25	0.00	0.00	634.17	118,243.42	0.00	150,929.08	
8	Branson Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
9	Brentwood Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
10	Bridgeton Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
11	Brookfield Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
12	Butler County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
13	Cabool Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
14	Callaway County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
15	Camden County Sheriff's Office	6/30/2022	250,013.67	0.00	0.00	0.00	0.00	0.00	29,348.95	220,664.72	C
16	Camdenton Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
17	Cameron Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
18	Cape Girardeau County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
19	Cape Girardeau Police Department	6/30/2022	0.00	7,355.39	0.00	0.00	0.00	7,355.39	0.00	7,355.39	
20	Charleston Department of Public Safety	4/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	BC
21	Christian County Sheriff's Office	12/31/2021	25,316.55	7,261.60	0.00	0.00	0.00	7,261.60	0.00	32,578.15	D
22	Clayton Police Department	9/30/2022	164,607.76	5,137.76	0.00	0.00	1,429.40	6,567.16	0.00	171,174.92	D
23	Clinton County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
24	Cole County Sheriff's Office	12/31/2021	54,862.72	9,097.61	0.00	0.00	0.00	9,097.61	0.00	63,960.33	
25	Columbia Police Department	9/30/2022	135,740.92	0.00	0.00	0.00	0.00	0.00	0.00	135,740.92	
26	Cottleville Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
27	Crawford County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
28	Creve Coeur Police Department	6/30/2022	23,370.18	0.00	0.00	0.00	0.00	0.00	3,645.08	19,725.10	
29	Dent County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
30	Dexter Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
31	Dunklin County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
32	Eureka Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
33	Farmington Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
34	Florissant Police Department	11/30/2021	8,422.96	0.00	0.00	0.00	0.57	0.57	0.00	8,423.53	

Appendix B  
Compilation of 2022 Federal Forfeiture Reports  
Summary of Information Reported for Treasury Funds

Treasury Funds												
Name	Fiscal Year End	Beginning Equitable Sharing Fund Balance	Equitable Sharing Funds		Other Income	Interest Income	Total Equitable Sharing Funds		Equitable Sharing Funds		Ending Equitable Sharing Funds Balance	
			Received	Received from Task Force			Received	Spent				
35 Frontenac Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
36 Glendale Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
37 Grain Valley Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
38 Greene County Prosecuting Attorney's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
39 Greene County Sheriff's Office	12/31/2021	27,908.22	14,523.23	0.00	0.00	138.54	14,661.77	0.00	0.00	0.00	42,569.99	
40 Grundy County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
41 Hannibal Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
42 Harrisonville Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
43 Hayti Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
44 Hazelwood Police Department	6/30/2022	83,501.11	26,252.91	0.00	0.00	0.00	26,252.91	0.00	0.00	0.00	109,754.02	
45 Henry County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
46 Howell County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
47 Independence Police Department	6/30/2022	14,828.79	0.00	0.00	0.00	35.91	35.91	0.00	0.00	0.00	14,864.70	
48 Jackson County Sheriff's Office	12/31/2021	3,049.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,049.95	
49 Jackson Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
50 Jasper County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
51 Jefferson County Sheriff's Office	12/31/2021	36,188.03	16,701.29	0.00	0.00	51.23	16,752.52	0.00	0.00	0.00	52,940.55	
52 Johnson County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
53 Joplin Police Department	10/31/2022	74,626.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	74,626.59	
54 Kansas City International Airport Police Division	4/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
55 Kansas City Police Department	4/30/2022	80,248.86	19,749.30	0.00	0.00	414.69	20,163.99	91.92	0.00	0.00	100,320.93	
56 Kirksville Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
57 Lafayette County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
58 Lake St. Louis Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
59 Lawrence County Sheriff's Office	12/31/2021	4,431.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,431.62	
60 Lebanon Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
61 Lee's Summit Police Department	6/30/2022	64,509.44	0.00	0.00	0.00	239.49	239.49	0.00	0.00	0.00	64,748.93	
62 Lewis County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
63 Lincoln County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 AB	
64 Malden Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 BC	
65 Manchester Police Department	12/31/2021	30,650.10	0.00	0.00	0.00	0.00	0.00	0.00	30,650.10	0.00	0.00 E	
66 Maryland Heights Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
67 Maryville Department of Public Safety	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	
68 Mississippi County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B	

Appendix B  
Compilation of 2022 Federal Forfeiture Reports  
Summary of Information Reported for Treasury Funds

Treasury Funds										
Name	Fiscal Year End	Beginning Equitable Sharing Fund Balance	Equitable Sharing Funds		Other Income	Interest Income	Total Equitable Sharing Funds		Ending Equitable Sharing Funds	
			Equitable Sharing Funds Received	Received from other LEA and Task Force			Received	Spent	Balance	Balance
69 Missouri State Highway Patrol	6/30/2022	385,992.84	9,660.21	0.00	0.00	1,087.61	10,747.82	0.00	0.00	396,740.66
70 Moberly Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
71 Monett Police Department	3/31/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
72 Nevada Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
73 Newton County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
74 Nixa Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
75 Nodaway County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
76 North Kansas City Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
77 O'Fallon Police Department	12/31/2021	2,879.65	0.00	0.00	0.00	9.49	9.49	0.00	0.00	2,889.14
78 Overland Police Department	6/30/2022	0.00	29,770.96	0.00	0.00	0.00	29,770.96	0.00	0.00	29,770.96
79 Ozark Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
80 Peculiar Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
81 Pemiscot County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
82 Pettis County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
83 Phelps County Prosecuting Attorney's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
84 Phelps County Sheriff's Office	12/31/2021	11,603.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,603.70
85 Platte County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
86 Pleasant Valley Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
87 Richmond Heights Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
88 Rock Hill Police Department	3/31/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
89 Rolla Police Department	9/30/2022	121,696.11	4,110.20	0.00	0.00	93.21	4,203.41	112,220.24	13,679.28	0.00 B
90 Sedalia Police Department	3/31/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
91 Shrewsbury Police Department	12/31/2021	586.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	586.05 AD
92 Springfield Police Department	6/30/2022	66,366.64	0.00	0.00	0.00	629.18	629.18	38,726.51	28,269.31	0.00 B
93 St. Ann Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
94 St. Charles City Police Department	12/31/2021	487,831.38	222,840.81	0.00	0.00	0.00	222,840.81	39,848.77	670,823.42	A
95 St. Charles County Police Department	12/31/2021	312,124.57	3,289.33	0.00	0.00	2,034.60	5,323.93	0.00	317,448.50	0.00
96 St. Charles County Sheriff's Office	12/31/2021	0.00	69,100.32	0.00	0.00	0.00	69,100.32	0.00	69,100.32	0.00
97 St. Clair Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
98 St. Francois County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
99 St. John Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
100 St. Joseph Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
101 St. Louis Airport Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 B
102 St. Louis County Police Department	12/31/2021	1,581,930.64	143,081.69	0.00	0.00	12,684.28	155,765.97	498,471.12	1,239,225.49	0.00

Appendix B  
Compilation of 2022 Federal Forfeiture Reports  
Summary of Information Reported for Treasury Funds

Treasury Funds												
Name	Fiscal Year End	Beginning Equitable Sharing Fund Balance	Equitable Sharing Funds Received	Equitable Sharing Funds Received from other LEA and Task Force	Other Income	Interest Income	Total Equitable Sharing Funds Received	Equitable Sharing Funds Spent	Ending Equitable Sharing Funds Balance			
103 St. Peters Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
104 Ste. Genevieve County Sheriff's Office	12/31/2021	128.17	0.00	0.00	0.00	0.00	0.00	16.72	111.45			
105 Strafford Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
106 Sunset Hills Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
107 Taney County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
108 Texas County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
109 Town and Country Police Department	12/31/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
110 Trenton Police Department	4/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
111 Troy Police Department	6/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
112 Vernon County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
113 Warren County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
114 Warrensburg Police Department	9/30/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
115 Wayne County Sheriff's Office	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
116 Waynesville Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
117 Webster Groves Police Department	6/30/2022	1,603.86	8,000.00	0.00	0.00	0.00	8,000.00	3,393.18	6,210.68			
118 Wentzville Police Department	12/31/2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B
Total		\$ 4,170,794.40	729,466.89	0.00	0.00	19,557.53	749,024.42	780,404.58	4,139,414.24			

Note: This appendix shows the categories on the Annual Certification Report section of the ACA Form - Equitable Sharing Agreement and Certification and what each agency reported.

- A The agency submitted a copy of the form after the February 15, 2023 deadline.
- B The agency's form reported no activity in the Treasury Funds section of the annual certification.
- C The agency filed a 2021 form after February 28, 2022.
- D The agency did not file a form in 2021, but has a beginning balance in 2022.
- E The agency's ending balance reported for 2021 does not agree with the beginning balance for the report filed for 2022.

## Appendix C

### Compilation of 2022 Federal Forfeiture Reports

#### Law Enforcement Agencies Not Filing a 2022 ACA Form - Equitable Sharing Agreement and Certification\*

Name		Name	
1	13th Judicial Court Marshal's Office	61	Buffalo Police Department
2	19th Circuit Court Marshal's Office	62	Bunceton Police Department
3	Adair County Sheriff's Office	63	Bunker Police Department
4	Adrian Police Department	64	Burlington Northern Santa Fe Railroad
5	Advance Police Department	65	Butler Police Department
6	Alma Police Department	66	Butterfield Police Department
7	Alton Police Department	67	Byrnes Mill Police Department
8	Amtrak Police Department	68	Caldwell County Sheriff's Office
9	Anderson Police Department	69	California Police Department
10	Andrew County Sheriff's Office	70	Callao Police Department
11	Annapolis Police Department	71	Calverton Park Police Department
12	Appleton City Police Department	72	Camden Point Police Department
13	Arbyrd Police Department	73	Camden Police Department
14	Arcadia Police Department	74	Campbell Police Department
15	Archie Police Department	75	Canadian Pacific Police Service
16	Arnold Police Department	76	Canalou Police Department
17	Ash Grove Police Department	77	Canton Police Department
18	Ashland Police Department	78	Cardwell Police Department
19	Atchison County Sheriff's Office	79	Carl Junction Police Department
20	Aurora Police Department	80	Carroll County Sheriff's Office
21	Auxvasse Police Department	81	Carrollton Police Department
22	Ava Police Department	82	Carter County Sheriff's Office
23	Barry County Sheriff's Office	83	Cartersville Police Department
24	Barton County Sheriff's Office	84	Carthage Police Department
25	Bates City Police Department	85	Caruthersville Police Department
26	Battlefield Police Department	86	Cass County Sheriff's Office
27	Bell City Police Department	87	Cassville Police Department
28	Bella Villa Police Department	88	Cedar County Sheriff's Office
29	Belle Police Department	89	Center Police Department
30	Bellflower Police Department	90	Centerview PD
31	Bel-Nor Police Department	91	Centralia Police Department
32	Bel-Ridge Police Department	92	Chaffee Police Department
33	Belton Police Department	B 93	Chamois Police Department
34	Benton County Sheriff's Office	94	Chariton County Sheriff's Office
35	Benton Police Department	95	Chesterfield Police Department
36	Berger Police Department	96	Chillicothe Police Department
37	Bernie Police Department	97	Clarence Police Department
38	Bertrand Police Department	98	Clark County Sheriff's Office
39	Bethany Police Department	99	Clark Police Department
40	Bevier Police Department	100	Clarksburg Police Department
41	Billings Police Department	101	Clarksdale Police Department
42	Birch Tree Police Department	102	Clarkton Police Department
43	Bismarck Police Department	103	Clay County Sheriff's Office
44	Blackburn Police Department	104	Claycomo Police Department
45	Bland Police Department	105	Cleveland Police Department
46	Bloomfield Police Department	106	Clever Police Department
47	Blue Springs Police Department	107	Clinton Police Department
48	Blue Springs School District Police Department	108	Cole Camp Police Department
49	Bollinger County Sheriff's Office	109	Concordia Police Department
50	Bonne Terre Police Department	110	Cooper County Sheriff's Office
51	Boonville Police Department	111	Cooter Police Department
52	Bourbon Police Department	112	Corder Police Department
53	Bowling Green Police Department	113	Country Club Hills Police Department
54	Branson West Police Department	114	Country Club Village Police Department
55	Braymer Police Department	A 115	Crane Police Department
56	Breckenridge Hills Police Department	116	Creighton Police Department
57	Browning Police Department	117	Crestwood Police Department
58	Brunswick Police Department	118	Crocker Police Department
59	Buchanan County Sheriff's Office	B 119	Crowder College Campus Police Department
60	Buckner Police Department	120	Crystal City Police Department



## Appendix C

### Compilation of 2022 Federal Forfeiture Reports

#### Law Enforcement Agencies Not Filing a 2022 ACA Form - Equitable Sharing Agreement and Certification\*

Name		Name	
121 Crystal Lakes Police Department		181 Gasconade County Sheriff's Office	
122 Cuba Police Department		182 Gasconade Police Department	
123 Dade County Sheriff's Office		183 Gentry County Sheriff's Office	
124 Dallas County Sheriff's Office		184 Gerald Police Department	
125 Daviess County Sheriff's Office	B	185 Gideon Police Department	
126 DeKalb County Sheriff's Office		186 Gladstone Department of Public Safety	
127 Delta Police Department		187 Glasgow Police Department	
128 Des Peres Department of Public Safety		188 Goodman Police Department	
129 Desloge Police Department		189 Gordonville Police Department	A
130 DeSoto Police Department		190 Gower Police Department	
131 Diamond Police Department		191 Granby Police Department	
132 Dixon Police Department		192 Grandin Police Department	A
133 Doniphan Police Department		193 Grandview Police Department	
134 Doolittle Police Department		194 Green City Police Department	
135 Douglas County Sheriff's Office		195 Greenfield Police Department	
136 Drexel Police Department		196 Greenville Police Department	A
137 Duenweg Police Department		197 Greenwood Police Department	
138 Dunklin R-5 School District Police Department		198 Hale Police Department	A
139 Duquesne Police Department		199 Hallsville Police Department	
140 East Lynne Police Department		200 Hamilton Police Department	
141 East Prairie Police Department		201 Hardin Police Department	
142 Easton Police Department		202 Harrison County Sheriff's Office	
143 Edgar Springs Police Department		203 Hartville Police Department	
144 Edgerton Police Department		204 Hawk Point Police Department	
145 Edina Police Department		205 Hayti Heights Police Department	
146 Edmundson Police Department		206 Henrietta Police Department	
147 El Dorado Springs Police Department		207 Herculaneum Police Department	
148 Eldon Police Department		208 Hermann Police Department	
149 Ellington Police Department		209 Hickory County Sheriff's Office	
150 Ellisville Police Department		210 Higginsville Police Department	
151 Ellsinore Police Department		211 High Hill Police Department	
152 Elsberry Police Department		212 Highlandville Police Department	
153 Eminence Police Department		213 Hillsboro Police Department	
154 Emma Police Department		214 Hillsdale Police Department	
155 Eolia Police Department		215 Holcomb Police Department	
156 Essex Police Department		216 Holden Police Department	
157 Everton Police Department	A	217 Hollister Police Department	
158 Excelsior Springs Police Department		218 Holt County Sheriff's Office	
159 Exeter Police Department		219 Holts Summit Police Department	
160 Fair Grove Police Department		220 Hornersville Police Department	
161 Fair Play Police Department		221 Houston Police Department	
162 Fairview Police Department		222 Howard County Sheriff's Office	
163 Farber Police Department		223 Howardville Police Department	
164 Fayette Police Department		224 Humansville Police Department	
165 Ferguson Police Department		225 Huntsville Police Department	
166 Ferrelview Police Department		226 Iberia Police Department	
167 Festus Police Department	B	227 Indian Point Police Department	
168 Fleming Police Department		228 Iron County Sheriff's Office	
169 Foley Police Department		229 Iron Mountain Lake Police Department	
170 Fordland Police Department		230 Ironton Police Department	
171 Foristell Police Department		231 Jackson County Parks & Recreation	
172 Forsyth Police Department		232 Jamestown Police Department	
173 Frankford Police Department		233 Jasper Police Department	
174 Franklin County Sheriff's Office		234 Jefferson City Police Department	B
175 Fredericktown Police Department	B	235 Jefferson College Campus Police Department	
176 Freeman Police Department		236 Jonesburg Police Department	
177 Fulton Police Department		237 Kahoka Police Department	
178 Galena Police Department		238 Kansas City Southern Railroad	
179 Gallatin Police Department		239 Kearney Police Department	
180 Garden City Police Department		240 Kelso Police Department	

## Appendix C

### Compilation of 2022 Federal Forfeiture Reports

#### Law Enforcement Agencies Not Filing a 2022 ACA Form - Equitable Sharing Agreement and Certification\*

Name	Name
241 Kennett Police Department	301 Marston Police Department
242 Keytesville Police Department	302 Martinsburg Police Department
243 Kimberling City Police Department	303 Matthews Police Department
244 Kimmswick Police Department	304 Maysville Police Department
245 King City Police Department	305 McDonald County Sheriff's Office
246 Kingsville Police Department	306 Memphis Police Department
247 Kirkwood Police Department	B 307 Mercer County Sheriff's Office
248 Knob Noster Police Department	308 Merriam Woods Police Department
249 Knox County Sheriff's Office	309 Metropolitan Community College Campus Police
250 Laclede County Sheriff's Office	310 Mexico Police Department
251 Laddonia Police Department	311 Milan Police Department
252 Ladue Police Department	312 Miller County Sheriff's Office
253 LaGrange Police Department	313 Miller Police Department
254 Lake Lafayette Police Department	314 Miner Police Department
255 Lake Lotawana Police Department	315 Mineral Area College DPS
256 Lake Ozark Police Department	316 Missouri Capitol Police
257 Lake Tapawingo Police Department	317 Missouri Department Natural Resources-Park Rangers
258 Lake Waukomis Police Department	318 Missouri Department of Conservation
259 Lake Winnebago Police Department	319 Missouri Department of Revenue
260 Lakeshire Police Department	320 Missouri Division of Alcohol and Tobacco Control
261 Lamar Police Department	321 Missouri Division of Fire Safety
262 LaMonte Police Department	322 Missouri Social Services STAT Team
263 Lanagan Police Department	323 Missouri University of Science & Technology Police Department
264 Lancaster Police Department	324 Missouri Western DPS
265 LaPlata Police Department	325 Moline Acres Police Department
266 Lathrop Police Department	326 Moniteau County Sheriff's Office
267 Laurie Police Department	327 Monroe City Police Department
268 Lawson Police Department	328 Monroe County Sheriff's Office
269 Leadington Police Department	329 Montgomery City Police Department
270 Leadwood Police Department	330 Montgomery County Sheriff's Office
271 Leasburg Police Department	331 Morehouse Police Department
272 Leeton Police Department	332 Morgan County Sheriff's Office
273 Lexington Police Department	333 Morley Police Department
274 Liberal Police Department	334 Morrisville Police Department
275 Liberty Police Department	335 Moscow Mills Police Department
276 Licking Police Department	336 Mound City Police Department
277 Lilbourn Police Department	337 Mount Vernon Police Department
278 Lincoln Police Department	338 Mountain Grove Police Department
279 Lincoln University DPS	339 Mountain View Police Department
280 Linn County Sheriff's Office	340 MSSU Police Department
281 Linn Creek Police Department	341 Napoleon Police Department
282 Linn Police Department	342 Naylor Police Department
283 Livingston County Sheriff's Office	343 Neosho Police Department
284 Logan-Rogersville Police Unit	344 New Bloomfield Police Department
285 Lone Jack Police Department	345 New Florence Police Department
286 Louisiana Police Department	346 New Franklin Police Department
287 Lowry City Police Department	347 New Haven Police Department
288 Macon County Sheriff's Office	348 New London Police Department
289 Macon Police Department	349 New Madrid County Sheriff's Office
290 Madison County Sheriff's Office	350 New Madrid Police Department
291 Mansfield Police Department	351 Newburg Police Department
292 Maplewood Police Department	B 352 Niangua Police Department
293 Marble Hill Police Department	353 Nixa School Police Department
294 Marceline Police Department	354 Noel Police Department
295 Maries County Sheriff's Office	355 Norborne Police Department
296 Marion County Sheriff's Office	356 Norfolk Southern Railroad Police Department
297 Marionville Police Department	357 Normandy Police Department
298 Marquand Police Department	358 Northmoor Police Department
299 Marshall Police Department	359 Northwest Missouri State University Police Department
300 Marshfield Police Department	360 Northwoods Police Department

## Appendix C

### Compilation of 2022 Federal Forfeiture Reports

#### Law Enforcement Agencies Not Filing a 2022 ACA Form - Equitable Sharing Agreement and Certification\*

Name		Name	
361 Oak Grove Police Department		421 Ripley County Sheriff's Office	
362 Oakview Police Department		422 Risco Police Department	
363 Odessa Police Department		423 Riverside Police Department	
364 Old Monroe Police Department		424 Riverview Police Department	
365 Olivette Police Department		425 Rock Port Police Department	
366 Oran Police Department		426 Rockaway Beach Police Department	
367 Oregon County Sheriff's Office		427 Rogersville Police Department	
368 Oregon Police Department		428 Rosebud Police Department	
369 Oronogo Police Department		429 Rutledge Police Department	
370 Orrick Police Department		430 Salem Police Department	
371 Osage Beach Police Department		431 Saline County Sheriff's Office	
372 Osage County Sheriff's Office		432 Salisbury Police Department	
373 Osceola Police Department		433 Sarcoxie Police Department	
374 Otterville Police Department		434 Savannah Police Department	
375 Owensville Police Department		435 Schuyler County Sheriff's Office	
376 Ozark County Sheriff's Office		436 Scotland County Sheriff's Office	
377 Pacific Police Department		437 Scott City Police Department	
378 Pagedale Police Department		438 Scott County Sheriff's Office	
379 Palmyra Police Department		439 Seligman Police Department	
380 Park Hills Police Department	B	440 Senath Police Department	
381 Parkville Police Department		441 Seneca Police Department	
382 Parma Police Department		442 Seymour Police Department	
383 Perry County Sheriff's Office		443 Shannon County Sheriff's Office	
384 Perry Police Department		444 Shelby County Sheriff's Office	
385 Perryville Police Department	B	445 Sikeston Department of Public Safety	
386 Pevely Police Department		446 Silex Police Department	
387 Piedmont Police Department		447 Slater Police Department	A
388 Pierce City Police Department		448 Smithton Police Department	
389 Pike County Sheriff's Office		449 Smithville Police Department	
390 Pilot Grove Police Department		450 Southeast Missouri State University - DPS	
391 Pilot Knob Police Department		451 Southwest City Police Department	
392 Pineville Police Department		452 Sparta Police Department	
393 Platte City Police Department		453 Springfield School Police Department	
394 Platte Woods Police Department		454 Springfield-Branson National Airport Police Department	
395 Plattsburg Police Department		455 St. Charles City Parks & Recreation	
396 Pleasant Hill Police Department		456 St. Charles County Community College DPS	
397 Pleasant Hope Police Department		457 St. Charles County Department of Corrections	
398 Polk County Sheriff's Office		458 St. Charles County Prosecuting Attorney's Office	
399 Polo Police Department		459 St. Clair County Sheriff's Office	B
400 Poplar Bluff Police Department		460 St. James Police Department	
401 Portageville Police Department		461 St. Louis City Sheriff's Office	
402 Potosi Police Department		462 St. Louis Community College Police Department	
403 Prairie Home Police Department		463 St. Louis County Sheriffs Office	
404 Pulaski County Prosecutor's Office		464 St. Louis Metropolitan Police Department	B
405 Purdy Police Department		465 St. Mary Police Department	
406 Putnam County Sheriff's Office		466 St. Robert Police Department	
407 Puxico Police Department		467 Stanberry Police Department	
408 Queen City Police Department		468 Ste. Genevieve Police Department	
409 Qulin Police Department		469 Steele Police Department	
410 Ralls County Sheriff's Office		470 Steelville Police Department	
411 Randolph County Sheriff's Office		471 Stewartsville Police Department	
412 Ray County Sheriff's Office		472 Stockton Police Department	
413 Raymore Police Department		473 Stoddard County Sheriff's Office	
414 Raytown Police Department		474 Stone County Sheriff's Office	
415 Reeds Spring Police Department		475 Stover Police Department	
416 Republic Police Department		476 Strasburg Police Department	
417 Reynolds County Sheriff's Office		477 Sturgeon Police Department	
418 Rich Hill Police Department		478 Sugar Creek Police Department	
419 Richland Police Department		479 Sullivan County Sheriff's Office	
420 Richmond Police Department		480	

## Appendix C

### Compilation of 2022 Federal Forfeiture Reports

#### Law Enforcement Agencies Not Filing a 2022 ACA Form - Equitable Sharing Agreement and Certification\*

Name	Name	
481 Sullivan Police Department	513 Vinita Park Police Department	B
482 Summersville Police Department	514 Walnut Grove Police Department	
483 Sunrise Beach Police Department	515 Wardell Police Department	
484 Supreme Court of Missouri	516 Warrenton Police Department	
485 Sweet Springs Police Department	517 Warsaw Police Department	
486 Tarkio Police Department	518 Warson Woods Police Department	
487 Terminal Railroad	519 Washburn Police Department	
488 Terre du Lac Police Department	520 Washington County Sheriff's Office	
489 Thayer Police Department	521 Washington Police Department	
490 Tipton Police Department	522 Washington University Police Department	
491 Tracy Police Department	523 Waverly Police Department	
492 Trimble Police Department	524 Weatherby Lake Police Department	
493 Truesdale Police Department	525 Webb City Police Department	
494 Truman State University	526 Webster County Sheriff's Office	
495 UCM - Department of Public Safety	527 Wellington Police Department	
496 Union Pacific Railroad	528 Wellsville Police Department	
497 Union Police Department	529 West Plains Police Department	
498 Unionville Police Department	530 West Sullivan Police Department	
499 University City Police Department	531 Weston Police Department	
500 University of Missouri - Kansas City Police Department	532 Wheaton Police Department	
501 University of Missouri - St. Louis Police Department	533 Willard Police Department	
502 University of Missouri Police Department (MUPD)	534 Willard School Police Department	
503 Urbana Police Department	535 Williamsville Police Department	A
504 Van Buren Police Department	536 Willow Springs Police Department	
505 Vandalia Police Department	537 Winfield Police Department	
506 Vanduser Police Department	538 Winona Police Department	
507 Velda City Police Department	539 Wood Heights Police Department	
508 Verona Police Department	540 Woodson Terrace Police Department	
509 Versailles Police Department	541 Worth County Sheriff's Office	
510 Viburnum Police Department	542 Wright City Police Department	
511 Vienna Police Department	543 Wright County Sheriff's Office	
512 Village of Miramiguo		

A Officials from the political subdivision reported this law enforcement agency did not operate in 2022.

B The law enforcement agency reported an ending balance for 2021, but did not file a report for 2022.

\* The law requires filing if an agency participates in the federal forfeiture system. If these agencies did not participate, the lack of filing a report does not constitute noncompliance.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

To the County Commission  
and  
Officeholders of Laclede County, Missouri

The Office of the State Auditor contracted for an audit of Laclede County's financial statements for the year ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by CR Williams & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

March 2023  
Report No. 2023-008



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**Recommendations in the contracted audit of Laclede County**

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2021-001

On a timely basis, management reviews its financial reports. The management should implement a control that will not allow the personnel to post accounting entries that are not balance nor override the balances by posting an entry of beginning balance anytime of the year. It is also recommended that management reviews its account system at the set-up level with its system vendor. The accounting system should have a control to prevent the personnel to override the beginning balance by posting an entry in the system of the beginning anytime of the year. The accounting system should be designed to bring prior year balances completely at the beginning of the next year.

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2021-002

The county strictly adheres to the internal budgetary control procedures and the rules established for the State of Missouri.

LACLEDE COUNTY, MISSOURI  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021

PREPARED BY:  
CRWilliams & Associates LLC  
Certified Public Accountants  
1257 N. Hornsby  
St. Louis, MO 63147  
(219)-944-1615 (ofc)/(866)-834-4294 (fax)  
[www.crwilliams.net](http://www.crwilliams.net)

LACLEDE COUNTY, MISSOURI  
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## LACLEDE COUNTY, MISSOURI

### List of Elected Officials 2021

#### *County Commission*

Presiding Commissioner  
Commissioner, Eastern District  
Commissioner, Western District

Randy Angst  
Joe Pickering  
Darrell Pollock

#### *Other Elected Officials*

Assessor  
Circuit Clerk  
Collector  
County Clerk  
Coroner  
Prosecuting Attorney  
Public Administrator  
Recorder  
Sheriff  
Surveyor  
Treasurer

Julie Rayl-Gilstrap  
Heather Officer  
Steve Pickering  
Linda Cansler  
Steve Murrell  
Jon Morris  
Annette Charles  
Jennifer Raef  
David Millsap  
Steve Mathis  
Kristy Carr

1257 Hornsby \* St. Louis, Missouri 63147

TEL: (219) 944-1615 \* FAX: (866) 834-4294 \* [www.crwilliams.net](http://www.crwilliams.net)

## INDEPENDENT AUDITOR'S REPORT

To the County Commission and  
Officeholders of Laclede County, Missouri

### Unmodified and Adverse Opinion

We have audited the accompanying financial statements of the Laclede County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash - All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash - Regulatory Basis as of December 31, 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual Regulatory Basis for the year then ended, and the related notes to the financial statements.

### Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the Statement of Receipts, Disbursements and Changes in Cash - All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash - Regulatory Basis as of December 31, 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual Regulatory Basis for the year then ended, in accordance with the financial reporting provisions of Missouri Law described in Note 1.

### Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Unmodified and Adverse Opinions section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2021 or changes in net position and cash flows thereof for the year then ended.

### Basis for Unmodified and Adverse Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Laclede County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## INDEPENDENT AUDITOR'S REPORT- (continued)

### *Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Missouri Law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Responsibilities of Management for the Financial Statements-continued**

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Laclede County, Missouri's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

## INDEPENDENT AUDITOR'S REPORT- (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Laclede County, Missouri 's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Laclede County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2023, on our consideration of Laclede County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Laclede County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Laclede County, Missouri's internal control over financial reporting and compliance.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
February 8, 2023

LACLEDE COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS  
REGULATORY BASIS YEAR ENDED DECEMBER 31, 2021

Fund	Cash and Cash Equivalents December 31, 2020	Receipts	Disbursements	Cash and Cash Equivalents December 31, 2021
General Revenue	\$ 2,984,861	\$ 6,094,130	\$ 5,735,099	\$ 3,343,892
Special Road & Bridge	712,305	2,738,702	2,574,285	876,722
Assessment	438,479	401,441	400,149	439,771
Enhanced 911	483,093	531,494	700,343	314,244
Law Enforcement Sales Tax	641,431	1,050,750	1,262,000	430,181
Capital Improvement Reserve	2,368,383	756,767	40,800	3,084,350
Health Insurance	89,999	869,243	942,714	16,528
County Development Sales Tax	1,050,796	2,796,282	2,541,932	1,305,146
Emergency Management	71,872	121,946	137,538	56,280
Local Emergency Planning Committee	21,686	2,844	6,384	18,146
Election Services	65,753	10,986	6,437	70,302
Law Enforcement Training	588	3,862	3,000	1,450
Peace Officer Standards Training	441	1,402	1,843	-
Sheriff Discretionary	19,960	21,427	19,770	21,617
Sheriff Revolving	73,940	41,290	30,146	85,084
Inmate Security	150,485	362,169	275,805	236,849
Deputy Sheriff Supplemental	29,041	35,339	51,586	12,794
Prosecuting Attorney Training	8,051	4,499	2,600	9,950
Prosecuting Attorney Admin Handling	111,970	9,641	4,213	117,398
Prosecuting Attorney Delinquent Tax	5,523	503	820	5,206
Victim Advocate	7,377	37,231	43,042	1,566
Recorder Special	13,006	17,697	9,375	21,328
Recorder Tech	4,758	9,047	7,300	6,505
Tax Maintenance	115,219	45,655	47,123	113,751
Collector Supplemental	13,337	6	13,343	-
Shelter Abuse	6,622	7,180	6,000	7,802
County Law Enforcement Restitution	20,817	13,189	19,886	14,120
Law Library	25,724	20,468	17,635	28,557
Drug Treatment Court	-	1,701	190	1,511
CARES	327,595	22,648	350,243	-
American Rescue Plan Act	-	3,473,604	1,471	3,472,133
Senate Bill 40 Board	127,095	346,165	340,905	132,355
Total	\$ 9,990,207.00	\$ 19,849,308.00	\$ 15,593,977.00	\$ 14,245,538.00

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
BUDGET AND ACTUAL GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

<b>General Revenue Fund</b>		
	<b>BUDGET</b>	<b>ACTUAL</b>
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	<b>\$ 2,984,861</b>	<b>\$ 2,984,861</b>
<b>REVENUES</b>		
PROPERTY TAX	731,000	593,245
SALES TAX	2,500,000	2,791,330
INTERGOVERNMENTAL REVENUES	218,079	295,682
CHARGES FOR SERVICES	742,724	721,916
INTEREST	11,000	9,311
OTHER	682,050	783,230
TRANSFERS IN	862,977	899,416
<b>TOTAL REVENUES</b>	<b>5,747,830</b>	<b>6,094,130</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>8,732,691</b>	<b>9,078,991</b>
<b>EXPENDITURES</b>		
COUNTY COMMISSION	152,976	146,869
COUNTY CLERK	136,883	116,690
ELECTIONS	57,346	37,991
BUILDING AND GROUNDS	889,384	820,190
EMPLOYEE FRINGE BENEFITS	1,036,635	359,754
COUNTY TREASURER	67,089	58,680
COUNTY COLLECTOR	120,035	112,643
RECORDER OF DEEDS	131,005	126,582
CIRCUIT CLERK	58,112	47,241
COURT ADMINISTRATION	200,263	125,439
PUBLIC ADMINISTRATOR	93,006	83,234
SHERIFF	1,225,613	1,085,932
JAIL	1,080,278	950,788
PROSECUTING ATTORNEY	412,990	397,556
COUNTY CORONER	26,117	25,741
HEALTH AND WELFARE	32,000	34,805
TRANSFER OUT	343,452	859,331
EMERGENCY FUND	400,000	-
OTHER	409,092	345,633
<b>TOTAL EXPENDITURES</b>	<b>6,872,276</b>	<b>5,735,099</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(1,124,446)</b>	<b>359,031</b>
<b>CASH AVAILABLE DECEMBER 31</b>	<b>\$ 1,860,415</b>	<b>\$ 3,343,892</b>

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Special Road and Bridge Fund		Assessment Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE FOR JANUARY 1	\$ 712,305	\$ 712,305	\$ 438,479	\$ 438,479
REVENUES				
PROPERTY TAX	4,000	5,119	-	-
INTERGOVERNMENTAL REVENUES	888,820	1,003,129	427,000	391,231
INTEREST	3,200	1,531	2,200	1,332
OTHER	4,700	35,471	4,100	8,878
TRANSFERS IN	1,693,452	1,693,452	-	-
TOTAL REVENUES	2,594,172	2,738,702	433,300	401,441
TOTAL FUNDS AVAILABLE	3,306,477	3,451,007	871,779	839,920
EXPENDITURES				
SALARIES	724,248	686,654	255,530	228,742
EMPLOYEE FRINGE BENEFITS	108,826	86,865	40,760	21,509
MATERIALS & SUPPLIES	710,500	564,575	43,100	35,911
SERVICES & OTHER	209,230	197,220	94,449	60,437
CAPITAL OUTLAY	610,000	588,756	-	-
CONSTRUCTION	289,325	307,694	-	-
TRANSFER OUT	175,000	142,521	82,000	53,550
TOTAL EXPENDITURES	2,827,129	2,574,285	515,839	400,149
RECEIPTS OVER (UNDER) DISBURSEMENTS	(232,957)	164,417	(82,539)	1,292
CASH AVAILABLE DECEMBER 31	\$ 479,348	\$ 876,722	\$ 355,940	\$ 439,771

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Enhanced 911 Fund		Law Enforcement Sales Tax Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	<b>\$ 483,093</b>	<b>\$ 483,093</b>	<b>\$ 641,431</b>	<b>\$ 641,431</b>
<b>REVENUES</b>				
SALES TAX	-	-		
INTEREST	1,617	1,313	944,000	1,048,802
OTHER	33,500	30,181	1,500	1,948
TRANSFERS IN	500,000	500,000	-	-
<b>TOTAL REVENUES</b>	<b>535,117</b>	<b>531,494</b>	<b>945,500</b>	<b>1,050,750</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>1,018,210</b>	<b>1,014,587</b>	<b>1,586,931</b>	<b>1,692,181</b>
<b>EXPENDITURES</b>				
SALARIES	435,640	386,041	-	-
EMPLOYEE FRINGE BENEFITS	40,726	31,005	-	-
MATERIALS & SUPPLIES	34,500	18,501	-	-
SERVICES & OTHER	197,500	189,113	12,000	12,000
TRANSFER OUT	125,000	75,683	1,250,000	1,250,000
<b>TOTAL EXPENDITURES</b>	<b>833,366</b>	<b>700,343</b>	<b>1,262,000</b>	<b>1,262,000</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(298,249)</b>	<b>(168,849)</b>	<b>(316,500)</b>	<b>(211,250)</b>
<b>CASH AVAILABLE DECEMBER 31</b>	<b>\$ 184,844</b>	<b>\$ 314,244</b>	<b>\$ 324,931</b>	<b>\$ 430,181</b>

The accompanying Notes to the Financial Statements are an integral part of these statements.



LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Capital Improvement Reserve Fund		Health Insurance Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE FOR JANUARY 1	\$ 2,368,383	\$ 2,368,383	\$ 89,999	\$ 89,999
REVENUES				
CHARGES FOR SERVICES	-	-		
INTEREST	9,200	6,065	65,000	60,376
OTHER	30	702	700	465
TRANSFERS IN	750,000	750,000	1,099,200	808,402
TOTAL REVENUES	759,230	756,767	1,164,900	869,243
TOTAL FUNDS AVAILABLE	3,127,613	3,125,150	1,254,899	959,242
EXPENDITURES				
EMPLOYEE FRINGE BENEFITS	-	-	1,174,200	942,714
SERVICES & OTHER	200,000	40,800	-	-
TOTAL EXPENDITURES	200,000	40,800	1,174,200	942,714
RECEIPTS OVER (UNDER) DISBURSEMENTS	559,230	715,967	(9,300)	(73,471)
CASH AVAILABLE DECEMBER 31	\$ 2,927,613	\$ 3,084,350	\$ 80,699	\$ 16,528

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LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	County Development Sales Tax Fund		Emergency Management Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE FOR JANUARY 1	\$ 1,050,796	\$ 1,050,796	\$ 71,872	\$ 71,872
REVENUES				
SALES TAX	2,500,000	2,789,888	-	-
INTERGOVERNMENTAL REVENUES	-	-	74,056	45,721
INTEREST	5,900	4,218	-	225
OTHER	-	2,176	-	-
TRANSFERS IN	-	-	76,000	76,000
TOTAL REVENUES	2,505,900	2,796,282	150,056	121,946
TOTAL FUNDS AVAILABLE	3,556,696	3,847,078	221,928	193,818
EXPENDITURES				
SALARIES	-	-	77,751	76,635
EMPLOYEE FRINGE BENEFITS	-	-	7,639	7,042
MATERIALS & SUPPLIES	-	-	18,750	10,431
SERVICES & OTHER	421,500	265,932	19,054	27,243
TRANSFER OUT	2,351,000	2,276,000	17,200	16,187
TOTAL EXPENDITURES	2,772,500	2,541,932	140,394	137,538
RECEIPTS OVER (UNDER) DISBURSEMENTS	(266,600)	254,350	9,662	(15,592)
CASH AVAILABLE DECEMBER 31	\$ 784,196	\$ 1,305,146	\$ 81,534	\$ 56,280

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LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	<b>Local Emergency Planning Committee Fund</b>		<b>Election Services Fund</b>	
	<b>BUDGET</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ACTUAL</b>
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	<b>\$ 21,686</b>	<b>\$ 21,686</b>	<b>\$ 65,753</b>	<b>\$ 65,753</b>
<b>REVENUES</b>				
INTERGOVERNMENTAL REVENUES	4,500	2,799	-	-
CHARGES FOR SERVICES	-	-	1,000	2,793
INTEREST	180	45	200	175
OTHER	-	-	7,317	4,858
TRANSFERS IN	-	-	-	3,160
<b>TOTAL REVENUES</b>	<b>4,680</b>	<b>2,844</b>	<b>8,517</b>	<b>10,986</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>26,366</b>	<b>24,530</b>	<b>74,269</b>	<b>76,739</b>
<b>EXPENDITURES</b>				
SERVICES & OTHER	17,000	6,384	30,817	6,437
<b>TOTAL EXPENDITURES</b>	<b>17,000</b>	<b>6,384</b>	<b>30,817</b>	<b>6,437</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(12,320)</b>	<b>(3,540)</b>	<b>(22,300)</b>	<b>4,549</b>
<b>CASH AVAILABLE DECEMBER 31</b>	<b>\$ 9,366</b>	<b>\$ 18,146</b>	<b>\$ 43,453</b>	<b>\$ 70,302</b>

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Law Enforcement Training Fund		Peace Officer Standards Training Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE FOR JANUARY 1	\$ 588	\$ 588	\$ 441	\$ 441
REVENUES				
CHARGES FOR SERVICES	3,100	3,859	2,000	1,401
INTEREST	5	3	4	1
TOTAL REVENUES	3,105	3,862	2,004	1,402
TOTAL FUNDS AVAILABLE	3,693	4,450	2,445	1,843
EXPENDITURES				
SHERIFF	-	-	2,000	1,843
SERVICES & OTHER	3,000	3,000	-	-
TOTAL EXPENDITURES	3,000	3,000	2,000	1,843
RECEIPTS OVER (UNDER) DISBURSEMENTS	105	862	4	(441)
CASH AVAILABLE DECEMBER 31	\$ 693	\$ 1,450	\$ 445	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Sheriff Discretionary Fund		Sheriff Revolving Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	<b>\$ 19,960</b>	<b>\$ 19,960</b>	<b>\$ 73,940</b>	<b>\$ 73,940</b>
<b>REVENUES</b>				
CHARGES FOR SERVICES	18,000	21,370	35,000	41,070
INTEREST	90	57	315	220
<b>TOTAL REVENUES</b>	<b>18,090</b>	<b>21,427</b>	<b>35,315</b>	<b>41,290</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>38,050</b>	<b>41,387</b>	<b>109,255</b>	<b>115,230</b>
<b>EXPENDITURES</b>				
SERVICES & OTHER	25,500	19,770	33,500	30,146
<b>TOTAL EXPENDITURES</b>	<b>25,500</b>	<b>19,770</b>	<b>33,500</b>	<b>30,146</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(7,410)</b>	<b>1,657</b>	<b>1,815</b>	<b>11,144</b>
<b>CASH AVAILABLE DECEMBER 31</b>	<b>\$ 12,550</b>	<b>\$ 21,617</b>	<b>\$ 75,755</b>	<b>\$ 85,084</b>

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Inmate Security Fund		Deputy Sheriff Supplemental Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE FOR JANUARY 1	\$ 150,485	\$ 150,485	\$ 29,041	\$ 29,041
REVENUES				
INTERGOVERNMENTAL REVENUES	-	-	35,000	35,296
CHARGES FOR SERVICES	348,350	352,791	-	-
INTEREST	1,359	442	112	43
OTHER	-	8,936	-	-
TOTAL REVENUES	349,709	362,169	35,112	35,339
TOTAL FUNDS AVAILABLE	500,194	512,654	64,153	64,380
EXPENDITURES				
SALARIES	-	-	30,000	23,141
EMPLOYEE FRINGE BENEFITS	-	-	2,300	1,854
SERVICES & OTHER	337,000	275,805	12,000	7,691
TRANSFER OUT	-	-	18,900	18,900
TOTAL EXPENDITURES	337,000	275,805	63,200	51,586
RECEIPTS OVER (UNDER) DISBURSEMENTS	12,709	86,364	(28,088)	(16,247)
CASH AVAILABLE DECEMBER 31	<u>\$ 163,194</u>	<u>\$ 236,849</u>	<u>\$ 953</u>	<u>\$ 12,794</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Prosecuting Attorney Training Fund		Prosecuting Attorney Admin Handling Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	\$ 8,051	\$ 8,051	\$ 111,970	\$ 111,970
<b>REVENUES</b>				
INTERGOVERNMENTAL REVENUES	-	-	-	-
CHARGES FOR SERVICES	3,557	4,477	7,200	9,347
INTEREST	24	22	300	294
<b>TOTAL REVENUES</b>	<u>3,581</u>	<u>4,499</u>	<u>7,500</u>	<u>9,641</u>
<b>TOTAL FUNDS AVAILABLE</b>	<u>11,632</u>	<u>12,550</u>	<u>119,470</u>	<u>121,611</u>
<b>EXPENDITURES</b>				
SERVICES & OTHER	2,429	2,600	119,468	1,713
TRANSFER OUT	-	-	-	2,500
<b>TOTAL EXPENDITURES</b>	<u>2,429</u>	<u>2,600</u>	<u>119,468</u>	<u>4,213</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>1,152</u>	<u>1,899</u>	<u>(111,968)</u>	<u>5,428</u>
<b>CASH AVAILABLE DECEMBER 31</b>	<u><u>\$ 9,203</u></u>	<u><u>\$ 9,950</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 117,398</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Prosecuting Attorney Delinquent Tax Fund		Victim Advocate Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	<b>\$ 5,523</b>	<b>\$ 5,523</b>	<b>\$ 7,377</b>	<b>\$ 7,377</b>
<b>REVENUES</b>				
INTERGOVERNMENTAL REVENUES	-	-	38,600	34,717
INTEREST	16	13	-	14
OTHER	400	490	-	-
TRANSFERS IN	-	-	-	2,500
<b>TOTAL REVENUES</b>	<b>416</b>	<b>503</b>	<b>38,600</b>	<b>37,231</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>5,939</b>	<b>6,026</b>	<b>45,977</b>	<b>44,608</b>
<b>EXPENDITURES</b>				
SALARIES	-	-	31,044	32,275
EMPLOYEE FRINGE BENEFITS	-	-	3,200	2,542
MATERIALS & SUPPLIES	-	-	1,650	271
SERVICES & OTHER	5,939	820	1,000	212
TRANSFER OUT	-	-	8,588	7,742
<b>TOTAL EXPENDITURES</b>	<b>5,939</b>	<b>820</b>	<b>45,482</b>	<b>43,042</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(5,524)</b>	<b>(317)</b>	<b>(6,882)</b>	<b>(5,811)</b>
<b>CASH AVAILABLE DECEMBER 31</b>	<b>\$ -</b>	<b>\$ 5,206</b>	<b>\$ 495</b>	<b>\$ 1,566</b>

The accompanying Notes to the Financial Statements are an integral part of these statements.



LACLEDE COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
 GOVERNMENTAL FUND  
 REGULATORY BASIS  
 For the year ended December 31, 2021

	Recorder Special Fund		Recorder Tech Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	<b>\$ 13,006</b>	<b>\$ 13,006</b>	<b>\$ 4,758</b>	<b>\$ 4,758</b>
<b>REVENUES</b>				
CHARGES FOR SERVICES	14,100	17,655	7,000	9,028
INTEREST	75	42	25	19
<b>TOTAL REVENUES</b>	<u>14,175</u>	<u>17,697</u>	<u>7,025</u>	<u>9,047</u>
<b>TOTAL FUNDS AVAILABLE</b>	<u>27,181</u>	<u>30,703</u>	<u>11,783</u>	<u>13,805</u>
<b>EXPENDITURES</b>				
MATERIALS & SUPPLIES	19,000	4,375	7,395	7,252
SERVICES & OTHER	-	5,000	745	48
<b>TOTAL EXPENDITURES</b>	<u>19,000</u>	<u>9,375</u>	<u>8,140</u>	<u>7,300</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>(4,825)</u>	<u>8,322</u>	<u>(1,115)</u>	<u>1,747</u>
<b>CASH AVAILABLE DECEMBER 31</b>	<u><b>\$ 8,181</b></u>	<u><b>\$ 21,328</b></u>	<u><b>\$ 3,643</b></u>	<u><b>\$ 6,505</b></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	Tax Maintenance Fund		Collector Supplemental Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	<b>\$ 115,219</b>	<b>\$ 115,219</b>	<b>\$ 13,337</b>	<b>\$ 13,337</b>
<b>REVENUES</b>				
CHARGES FOR SERVICES	46,000	45,353	-	-
INTEREST	500	302	-	6
<b>TOTAL REVENUES</b>	<b>46,500</b>	<b>45,655</b>	<b>-</b>	<b>6</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>161,719</b>	<b>160,874</b>	<b>13,337</b>	<b>13,343</b>
<b>EXPENDITURES</b>				
SALARIES	-	-	-	321
EMPLOYEE FRINGE BENEFITS	-	-	-	45
SERVICES & OTHER	50,000	47,123	-	-
TRANSFER OUT	-	-	13,337	12,977
<b>TOTAL EXPENDITURES</b>	<b>50,000</b>	<b>47,123</b>	<b>13,337</b>	<b>13,343</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(3,500)</b>	<b>(1,468)</b>	<b>(13,337)</b>	<b>(13,337)</b>
<b>CASH AVAILABLE DECEMBER 31</b>	<b>\$ 111,719</b>	<b>\$ 113,751</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
 GOVERNMENTAL FUND  
 REGULATORY BASIS  
 For the year ended December 31, 2021

	Shelter Abuse Fund		County Law Enforcement Restitution Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE FOR JANUARY 1	\$ 6,622	\$ 6,622	\$ 20,817	\$ 20,817
REVENUES				
INTERGOVERNMENTAL REVENUES	-	-	12,000	13,143
CHARGES FOR SERVICES	6,000	7,155	-	-
INTEREST	80	24	70	46
OTHER	-	1	-	-
TOTAL REVENUES	6,080	7,180	12,070	13,189
TOTAL FUNDS AVAILABLE	12,702	13,802	32,887	34,006
EXPENDITURES				
SERVICES & OTHER	6,000	6,000	23,000	19,886
TOTAL EXPENDITURES	6,000	6,000	23,000	19,886
RECEIPTS OVER (UNDER) DISBURSEMENTS	80	1,180	(10,930)	(6,697)
CASH AVAILABLE DECEMBER 31	\$ 6,702	\$ 7,802	\$ 9,887	\$ 14,120

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
 GOVERNMENTAL FUND  
 REGULATORY BASIS  
 For the year ended December 31, 2021

	Law Library Fund		Drug Treatment Court Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE FOR JANUARY 1	\$ 25,724	\$ 25,724	\$ -	\$ -
REVENUES				
CHARGES FOR SERVICES	20,000	20,015	2,400	1,700
INTEREST	-	-	-	1
OTHER	-	453	-	-
TOTAL REVENUES	20,000	20,468	2,400	1,701
TOTAL FUNDS AVAILABLE	45,724	46,192	2,400	1,701
EXPENDITURES				
SERVICES & OTHER	18,000	17,635	2,400	190
TOTAL EXPENDITURES	18,000	17,635	2,400	190
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,000	2,833	-	1,511
CASH AVAILABLE DECEMBER 31	\$ 27,724	\$ 28,557	\$ -	\$ 1,511

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BUDGET AND ACTUAL  
GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	CARES Fund		American Rescue Plan Act Fund	
	BUDGET	ACTUAL	BUDGET	ACTUAL
NET CASH AVAILABLE FOR JANUARY 1	\$ 327,595	\$ 327,595	\$ -	\$ -
REVENUES				
INTERGOVERNMENTAL REVENUES	-	-	3,469,387	3,469,387
INTEREST	5,000	588	-	4,217
OTHER	-	3,160	-	-
TRANSFERS IN	18,900	18,900	-	-
TOTAL REVENUES	23,900	22,648	3,469,387	3,473,604
TOTAL FUNDS AVAILABLE	351,495	350,243	3,469,387	3,473,604
EXPENDITURES				
SERVICES & OTHER	-	313,804	3,469,387	1,471
TRANSFER OUT	-	36,439	-	-
OTHER	351,495	-	-	-
TOTAL EXPENDITURES	351,495	350,243	3,469,387	1,471
RECEIPTS OVER (UNDER) DISBURSEMENTS	(327,595)	(327,595)	-	3,472,133
CASH AVAILABLE DECEMBER 31	\$ -	\$ -	\$ -	\$ 3,472,133

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
BUDGET AND ACTUAL GOVERNMENTAL FUND  
REGULATORY BASIS  
For the year ended December 31, 2021

	<b>Senate Bill 40 Board Fund</b>	
	<b>BUDGET</b>	<b>ACTUAL</b>
<b>NET CASH AVAILABLE FOR JANUARY 1</b>	<b>\$ 127,095</b>	<b>\$ 127,095</b>
<b>REVENUES</b>		
<b>PROPERTY TAX</b>	378,000	346,161
<b>INTEREST</b>	<u>6</u>	<u>4</u>
<b>TOTAL REVENUES</b>	<u>378,006</u>	<u>346,165</u>
<b>TOTAL FUNDS AVAILABLE</b>	505,101	473,260
<b>EXPENDITURES</b>		
<b>SERVICES &amp; OTHER</b>	<u>495,102</u>	<u>340,905</u>
<b>TOTAL EXPENDITURES</b>	<u>495,102</u>	<u>340,905</u>
<b>RECEIPTS OVER (UNDER)</b>		
<b>DISBURSEMENTS</b>	<u>(117,096)</u>	<u>5,260</u>
<b>CASH AVAILABLE DECEMBER 31</b>	<b><u>\$ 9,999</u></b>	<b><u>\$ 132,355</u></b>

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH  
REGULATORY BASIS YEAR ENDED DECEMBER 31, 2021

Fund	Cash and Cash Equivalents December 31, 2020	Receipts	Disbursements	Cash and Cash Equivalents December 31, 2021
Treasurer Special Road Districts	\$ -	\$ 1,680,391	\$ 1,680,391	\$ -
Treasurer School District	-	18,825,984	18,825,984	-
Treasurer Fines	73,811	237,806	227,628	83,989
Treasurer Surplus Land	62,929	39,350	27,771	74,508
Treasurer Senate Bill 40	-	346,161	346,161	-
Treasurer Fire District	-	400,353	400,353	-
Treasurer Unclaimed Fees	2,717	471	2,654	534
Treasurer CERF	-	298,616	298,616	-
Treasurer CID Marketplace	-	7,058	7,058	-
Treasurer Payroll Taxes	5	-	-	5
Treasurer Family Access	-	2,532,650	2,532,650	-
Treasurer Laclede Early Education Program	-	284,263	284,263	-
Public Administrator	1,105,743	1,632,392	1,594,157	1,143,978
County Clerk Special Election	579	73,630	73,718	491
Prosecuting Attorney Restitution	75	164,757	164,832	-
Collector General Revenue	12,654,250	29,982,614	25,491,334	17,145,530
Collector Installment	4,242	359,688	359,344	4,586
Collector Protest	449	146,307	146,754	2
Recorder of Deeds	28,817	313,112	315,498	26,431
Sheriff Inmate	50,966	379,803	382,088	48,681
Sheriff Jail	842	19,656	15,943	4,555
Sheriff Civil	5,947	61,578	58,970	8,555
Sheriff Bond	4	27,298	26,437	865
Total	\$ 13,991,376	\$ 57,813,938	\$ 53,262,604	\$ 18,542,710

The accompanying Notes to the Financial Statements are an integral part of these statements.

LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Laclede County, Missouri ("County") is governed by a three-member board of commissioners. In addition to the three board members, there are 11 elected Constitutional Officers: Assessor, Circuit Clerk, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder, Sheriff, Surveyor and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

**A. Reporting Entity**

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Laclede County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County's legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

**B. Basis of Presentation**

**Governmental Funds** - Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County's funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds.

**Fiduciary Funds** - Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County's custodial funds.



LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

**C. Basis of Accounting**

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

**D. Budgets and Budgetary Accounting**

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.

LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**D. Budgets and Budgetary Accounting - continued**

9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the Prosecuting Attorney Training Fund in 2021.
- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2021, for purposes of taxation were:

Real Estate	\$ 330,352,720
Personal Property Tax	134,212,606
Railroad and Utilities	<u>25,144,176</u>
Total	<u>\$ 489,709,502</u>

For calendar years 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

General Revenue	\$ 0.0981
Senate Bill 40 Board	0.0671

Receipts classified as property taxes in the Special Road & Bridge Fund were collected from a surtax on commercial property.

**F. Cash Deposits and Investments**

Deposit and cash equivalents are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, bonds of the State of Missouri or other government bonds, or time certificates of deposit, purchased at a price at or below par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by

LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

F. Cash Deposits and Investments – continued

authorized investments held in the County's name at third-party banking institutions. Details of these cash and cash equivalent and investment balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

Transfers between funds for the year ended December 31, 2021, were as follows:

FUND	TRANSFER IN	TRANSFER OUT
General Revenue	899,416	859,331
Special Road & Bridge	1,693,452	142,521
Assessment	-	53,550
Prosecuting Attorney Admin Handling	-	2,500
Capital Improvement Reserve	750,000	-
County Development Sales Tax	-	2,276,000
Enhanced 911	500,000	75,683
Law Enforcement Sales Tax	-	1,250,000
Health Insurance	808,402	-
Deputy Sheriff Supplemental	-	18,900
Emergency Management	76,000	16,187
Victim Advocate	2,500	7,742
Collector Supplemental	-	12,977
CARES	18,900	36,439
Election Services	3,160	-
TOTALS	4,751,830	4,751,830

LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**2. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Cash Equivalents" or "Cash and Investments" captions. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

At December 31, 2021, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Governmental Funds			
Cash and Cash Equivalents	\$ 14,245,538	\$ 14,566,100	\$ 250,000
Total Governmental Funds	<u>\$ 14,245,538</u>	<u>\$ 14,566,100</u>	<u>\$ 250,000</u>
Fiduciary Funds			
Cash and Cash Equivalents	\$ 18,542,710	\$ 17,663,216	\$ -
Total Fiduciary Funds	<u>\$ 18,542,710</u>	<u>\$ 17,663,216</u>	<u>\$ -</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2021 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name, except for investments held by the Public Administrator in non-FDIC insured accounts.

**3. COUNTY EMPLOYEES' RETIREMENT PLANS**

**A. County Employees' Retirement Fund (CERF)**

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

**1) Plan Description**

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997,

LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**3. COUNTY EMPLOYEES' RETIREMENT PLANS-continued**

**A. County Employees' Retirement Fund (CERF)-continued**

**1) Plan Description-continued**

RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

**2) Pension Benefits**

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions. The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

**3) Funding Policy**

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002. During 2021, the County collected and remitted to CERF employee withholdings and fees collected totaling \$231,414 for the year then ended.

**B. Prosecuting Attorney Retirement Fund**

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$18,975 for the year ended December 31, 2021.

LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**3. COUNTY EMPLOYEES' RETIREMENT PLANS-continued**

**C. Other Retirement Plan**

Laclede County has a mandatory 401(a) plan and a voluntary 457(b) plan administered by Empower Retirement. The 401(a) plan consists of a mandatory 0.7% deduction from employees' salaries, and employees may elect to make voluntary contributions under the 457(b) plan. These contributions qualify under the Internal Revenue Code and are tax exempt. For the years ended December 31, 2021 the County collected and remitted 401(a) contributions totaling \$28,524. For the year ended December 31, 2021, the County collected and remitted 457(b) contributions totaling \$76,714.

**4. POST EMPLOYMENT BENEFITS**

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County. The County has only one COBRA participant as of December 31, 2021.

**5. CLAIMS, COMMITMENT AND CONTINGENCIES**

**A. Compensated Absences**

The County provides full-time employees with 3.5 or 4 hours of sick leave per month depending on the number of hours worked, up to a maximum of 30 days. Upon termination, employees are not compensated for unused sick leave. Vacation time is accrued for every full-time employee and accrues at the rate of 35 hours or 40 hours per year depending on the weekly work schedule, up to 3 weeks per year depending on length of employment. Vacation time cannot be carried over and must be used by December 31st of each calendar year. Employees leaving County service due to resignation, death or termination are compensated for unused vacation leave accrued.

**B. Federal and State Assisted Programs**

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

**C. Litigation**

The County is not involved in pending litigation as of the audit report date.

LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**6. RISK MANAGEMENT**

The County is exposed to various risks of losses related to torts; theft of damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

**7. LONG-TERM DEBT**

On December 18, 2018, the County entered into a 36-month lease purchase agreement for a Caterpillar backhoe for use by the Road and Bridge Department. The lease is to be paid in three annual payments of \$15,310 which includes interest of 4.55%. and one final payment of \$69,900 if the County opts to purchase the equipment. The County did not opt to purchase the equipment at the end of the term and returned the equipment to the lessor. There is no existing balance for this lease agreement as of December 31, 2021.

**8. OPERATING LEASES**

The County leases a mailing machine and certain pieces of Road and Bridge equipment. The mailing machine lease is paid in monthly installments through November 2022; Road and Bridge equipment is leased through Caterpillar Financial Services and paid in annual installments, which begin at lease commencement.

As of December 31, 2021, the County had the following commitments under operating leases:

- A. 63 month lease for a mailing machine through November 15, 2022, with monthly payments of \$448;
- B. 36 month lease for Grader #31 through July 2, 2022, with annual payments of \$34,927;
- C. 36 month lease for Grader #32 through July 2, 2022, with annual payments of \$34,927;
- D. 36 month lease for Grader #44 through January 29, 2023, with annual payments of \$34,900;
- E. 36 month lease for Grader #42 through June 4, 2023, with annual payments of \$35,900;
- F. 36 month lease for Grader #43 through June 4, 2023, with annual payments of \$35,900;
- G. 36 month lease for Grader #45 through August 2024, with annual payments of \$37,267;
- H. 36 month lease for Grader #46 through September 2021, with final payments of \$29,950;
- I. 36 month lease for Grader #47 through August 2024, with annual payments of \$37,267;



LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**8. OPERATING LEASES- continued**

Future minimum payments under these operating leases are as follows:

Year	Amount
2022	256,016
2023	181,234
2024	74,534

**9. CAPITAL LEASE**

In September 2021, the County entered into a four-year lease-purchase agreement with First State Community Bank for \$502,830 at 1.99% interest to acquire dump trucks and other machinery for the Road and Bridge Department, with annual payments of \$132,115 beginning in September 2022 and ending in September 2025 as scheduled below:

Year Ending December 31	Principal	Interest	Total
2022	\$ 121,970	\$ 10,145	\$ 132,115
2023	124,431	7,648	132,079
2024	126,927	5,188	132,115
2025	129,502	2,613	132,115

**10. RELATED PARTIES**

Bailey's TV Radio Shack a company owned by the Presiding Commissioner received payments from the County of \$61.47 for the year ended December 31, 2021, for purchases of radio equipment. Greg Cheek, a company owned by the County Purchasing Agent's husband received payments totaling \$515.56 for the year ended December 31, 2021 for the purchase and installation of Plexiglas partitions in the County Courthouse and various Courthouse maintenance items.

**11. PROPERTY TAX ABATEMENTS**

As of December 31, 2021, the County has entered into property tax abatement agreements with local businesses under the Missouri Urban Development Corporation Law, established under Section 353.110 RSMo, and Missouri Enhanced Enterprise Zone (EEZ) program, established under Section 135.200 - 135.260 RSMo.



LACLEDE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**11. PROPERTY TAX ABATEMENTS-continued**

Enhanced Enterprise Zones (EEZs) are established in conjunction with the Missouri Department of Economic Development for the purposes of job creation in areas of poverty, unemployment and general distress, as defined by state law. Qualifying businesses located in the EEZ are entitled to receive local real property tax abatements of up to 100 percent of certain new investment for periods of 10 to 25 years.

Urban redevelopment corporations organized pursuant to Section 353, RSMo, are eligible to receive during the first 10 years of abatement, ad valorem real property taxes are imposed based on the assessed value of the land, exclusive of improvements, in the year prior to the redevelopment corporation's acquisition thereof. Accordingly, during this portion of the abatement period, additional payments in lieu of taxes will be required to limit the effective level of abatement to 50%. Pursuant to Section 353.110.2, RSMo., during years 11 through 20 of the abatement period, ad valorem real property taxes can be imposed based on 50% of the true value of the land and improvements so no additional payments in lieu of taxes will be required to achieve 50% abatement. Section 353 abatements are utilized by the City of Lebanon to encourage redevelopment in areas designated as blighted, as defined by state law.

For the tax years ended December 31, 2021, real property with an assessed value of \$1,827,834 was not subject to property tax assessments.

**12. SUBSEQUENT EVENTS**

The County has evaluated events subsequent to December 31, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through February 8, 2023, the date the financial statements were available to be issued.

The County believes that there are no subsequent events that need to be disclosed in the financial statements.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS*

To the County Commission and  
Officeholders of Laclede County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Statement of Receipts, Disbursements and Changes in Cash - All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash - Regulatory Basis, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual Regulatory Basis of Laclede County, Missouri as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Laclede County, Missouri's basic financial statements and have issued our report thereon dated February 8, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Laclede County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Laclede County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Laclede County, Missouri's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 and 2021-002 that we consider to be significant deficiencies.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS* - continued

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Laclede County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* as described in the accompanying schedule of findings and questioned costs as items 2021-002.

**Laclede County, Missouri's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Laclede County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Laclede County, Missouri's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CRWilliams & Associates LLC*

St. Louis, Missouri  
February 8, 2023

LACLEDE COUNTY MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**Significant Deficiencies**

**2021-001: Accounting records are not balance**

Condition: The general ledger report of the County is not in balance by a total of \$15,788.04. The discrepancy of the balance is composed of the following funds:

FUND	Amount Debit/(Credit)
General Revenue	\$ (149.08)
County Development Tax	(10,000.00)
Enhanced 911	149.08
Treasurer CID Marketplace	7,058.37
Deputy Sheriff Supplemental	(167.12)
Treasurer Family Access	(7,031.55)
County Clerk Special Election	(5,647.74)
TOTAL	<u>\$ (15,788.04)</u>

Criteria: It is a basic accounting principle that in every financial transaction that the value receives, and the value parted with, known as debit and credit, must be equal. In addition, balance sheet accounts are accounts that are carried forward from one accounting periods to the next accounting periods.

Cause: There is a significant deficiency in the design of the account system used as that it allows personnel to post accounting entries that are not in balance. In addition, instead of rolling forward the ending balance in the prior year as part of the County's financial reporting closing activities, they posted the adjustment any month in current year. The personnel are able to override the beginning balances by posting an entry in the system of the beginning balance anytime of the year.

Effect: This condition will create problems in generating financial reports. The reliability of the information being processed may also be affected because the balances of the accounts, debits and credits are not equal. Because of the ability of the personnel to override the balances by posting an entry in the beginning balance anytime of the year, this could lead to non-detection of error in a timely manner. Such error could be material to the financial statements as a whole.

Recommendation: We recommend that, on a timely basis, management reviews its financial reports. The management should implement a control that will not allow the personnel to post accounting entries that are not balance nor override the balances by posting an entry of beginning balance anytime of the year. It is also recommended that management reviews its account system at the set-up level with its system vendor. The accounting system should have a control to prevent the personnel to override the beginning balance by posting an entry in the system of the beginning balance anytime of the year. The accounting system should be designed to bring prior year balances completely at the beginning of the next year.

LACLEDE COUNTY MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**2021-001: Accounting records are not balance-continued**

Management Response: The funds listed as Treasurer CID Marketplace, Deputy Sheriff Supplemental, Additional Settlement, County Developmental Tax, and County Clerk Special Election were only out of debit/credit balance due to an account called retained earnings that shows an amount that was rolling over each year. The amount in this account for these funds has remained the same since about 2017. The funds listed as General Revenue and Enhanced 911 had a payroll deduction that crossed funds. It was fixed at the time (January 2021) by the software provider, and we show both the General Revenue and Enhanced 911 funds to be in balance for 2021. (See attached provided documents showing the ytd debit/credit balances for each fund). Each year the cash balances and operating accounts per fund have always balanced. The unused account called retained earnings was updated in all funds by the software provider in February 2021, and the accounts no longer have a carryover amount.

**Significant Deficiencies and noncompliance**

**2021-002: Budgetary Policies Noncompliance**

Condition:

Actual expenditures exceeded budgeted amounts for the Prosecuting Attorney Training Fund

Criteria: In accordance with Chapter 50, RSMo,;

State law prohibits expenditures in excess of approved budget.

Cause:

Overspending was caused by the deficiency of control in monitoring of the expenditures.

Effect: These conditions are violation of the budgetary policies. Overspending will result to misappropriation of assets.

Recommendation: We recommend that the County strictly adheres to the internal budgetary control procedures and the rules established for the State of Missouri.

Management Response:

The Prosecuting Attorney Training Fund did exceed its budgeted amount by \$170.91.

LACLEDE COUNTY MISSOURI  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2021

**2020-001 - Internal Control over Fuel Purchases**

Condition: Each Sheriff's deputy has in his or her custody a fuel card issued through MFA Oil. These cards are used for refueling police interceptor and transport fleet vehicles belonging to the County. Monthly statements are received by the Sheriff's Department and forwarded to the County Clerk for payment. However, these statements are not reviewed for unauthorized fuel purchases. It was brought to the auditors' attention that the Sheriff's Department terminated one employee when an employee observed improper use of the County fuel card issued by MFA to fill up a personal vehicle.

County's Response: I agree in theory with the findings of the auditor, however, the internal controls suggested would not provide us an audit trail as desired. In addition, the recommendations are manpower extensive to an agency encumbered with a number of required tasks required by statute and overwhelmed with an increase volume of calls for service from citizens. Not to mention the lack of understanding by an auditor that emergency services operate differently than businesses not involved in 24/7 operations. There are too many variables in this job that the auditor doesn't understand in their stale work environment. Comparison audits as recommended will be conducted if we have a suspicion an employee's vehicle mileage in a month's time is above the norm or above standard deviation of fuel normally used by a deputy in their particular assignment. Routine audits will not be conducted by the Sheriff's Office, as they would be time consuming and manpower intensive. However, as we regularly do, we will continue to review the fuel records before submitting the fuel bill to the county. My administration has a demonstrated history of holding people accountable for misuse of county funds, employment time and equipment with our current practices and I find no reason to alter our current practices. On March 1, 2022 we will require the following procedure which should meet the recommendation of the audit without undue restraint on our time. A deputy, or other employee (Detention Officer's often having to drive a vehicle to transport an inmate to the hospital) will enter the car number and mileage when fueling the vehicle. Our current vendor's gas pump screen has a window that allows for mileage to be entered, however, there is no screen for the car number. Despite that limitation the following entry should improve the tracking of fuel. The deputy will enter the car number followed by a period and then the mileage of the car number. Example 20.47750.

Auditor's Evaluation: We requested a sample of the monitoring as indicated in the corrective action plan. The supporting documentation provided indicated that the condition was already corrected.

Status: Cleared





February 8, 2023

This is in response to the draft #3 that was sent to us.

On page 36: Please change the name of the Treasurer Family Access to the correct name Additional Settlement. This is a custodial fund for taxes.

In response to #2021-001

Please replace your Management Response:

The funds listed as Treasurer CID Marketplace, Deputy Sheriff Supplemental, Additional Settlement, County Developmental Tax, and County Clerk Special Election were only out of debit/credit balance due to an account called retained earnings that shows an amount that was rolling over each year. The amount in this account for these funds has remained the same since about 2017.

The funds listed as General Revenue and Enhanced 911 had a payroll deduction that crossed funds. It was fixed at the time (January, 2021) by the software provider, and we show both the General Revenue and Enhanced 911 funds to be in balance for 2021. (see attached provided documents showing the ytd debit/credit balances for each fund)

Each year the cash balances and operating accounts per fund have always balanced. The unused account called retained earnings was updated in all funds by the software provider in February, 2021, and the accounts no longer have a carry over amount.

In response to #2021-002

1. The Drug Treatment Court Fund budget began in June, 2021. At that time the new fund was created through due process, and sent to the Mo. Auditor's Office. We have provided information on your finding before, and now you will also find being sent to you acknowledgement from the Mo. Auditor's Office that:

A budget was created and submitted properly showing expected revenues of \$2,400.00 and expected expenditures of \$2,400, and therefore there is no validity in your noncompliance finding.

2. The Prosecuting Attorney Training Fund did exceed it's budgeted amount by \$170.91.

These are my official management responses, please update your draft copy.

Linda Cansler  
Laclede County Clerk

GLHISTRP  
07.01.21

Wed Feb 8, 2023 10:44 AM

Laclede County

OPER: RS

PAGE 635

GENERAL LEDGER HISTORY REPORT

FROM 1/2021 TO 12/2021

(FISCAL 1/2021 TO 12/2021)

ACCOUNT NUMBER	JOB/PO ACCOUNT TITLE	INVOICE NO	CHECK NO	REFERENCE	DEBITS	CREDITS	NET CHANGE
JOURNAL DATE PERIOD ACCT NO NAME							ENDING BAL

01-99-8905	27th Payroll				.00		
GL3742 7/14/21 7/21				27th Payroll	913.50		
GL3742 7/14/21 7/21				27th Payroll	49.05		
GL3742 7/14/21 7/21				27th Payroll	683.22		
GL3742 7/14/21 7/21				27th Payroll	1,848.42		
GL3742 7/14/21 7/21				27th Payroll	874.67		
GL3742 7/14/21 7/21				27th Payroll	2,261.97		
GL3742 7/14/21 7/21				27th Payroll	33,614.97		
GL3742 7/14/21 7/21				27th Payroll	5,042.23		
GL3742 7/14/21 7/21				27th Payroll	557.14		
GL3742 7/14/21 7/21				27th Payroll	24,216.52		
GL3742 7/14/21 7/21				27th Payroll	426.20		
GL3742 7/14/21 7/21				27th Payroll	5,589.76		
GL3742 7/14/21 7/21				27th Payroll	4,397.05		
GL3742 7/14/21 7/21				27th Payroll	4,278.46		
GL3742 7/14/21 7/21				27th Payroll	550.37		
GL3742 7/14/21 7/21				27th Payroll	1,540.00		
GL3742 7/14/21 7/21				27th Payroll	189.95		
		BUDGET	118,000.00				
		ENCUMBERED	.00				
		AVAILABLE	7,606.40		110,393.60	.00	110,393.60

01-99-8906	CARES Fund Closing				.00		
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01-99-9997	INACTIVE REVENUE					.00	
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01-99-9998	INACTIVE EXPENSE				.00		
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01-99-9999	PROFIT HANDLER				.00		
AP1435 1/14/21 1/21	115641 HOSTED SERVICE 290921	1	111485	Phones December		1,777.06	
AP1435 1/14/21 1/21	115641 HOSTED SERVICE 287010	1	111485	Phones Nov. 202		1,788.39	
AP1435 1/14/21 1/21	594 KONE INC 962099770	1	111486	MAINT CONTRACT		400.00	
AP1435 1/14/21 1/21	115694 SHO-ME TECHNOL 056964	1	111495	Internet 1/2022		471.22	
AP1435 1/14/21 1/21	895 VERIZON WIRELE 9895880345	1	111498	S/O 1/22 stm 24		920.23	
					.00	5,356.90	5,356.90-

GL3837 12/31/21 12/21	YEAR END ADJ.				277,249.44		
					277,249.44	.00	271,892.54
		BUDGET	.00				
		ENCUMBERED	.00				
		AVAILABLE	271,892.54-		277,249.44	5,356.90	271,892.54

REPORT TOTALS

TOTAL DEBITS / CREDITS

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15,953,030.86	15,953,030.86
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GENERAL LEDGER HISTORY REPORT

FROM 1/2021 TO 12/2021

(FISCAL 1/2021 TO 12/2021)

ACCOUNT NUMBER	JOB/PO ACCOUNT TITLE	INVOICE NO	CHECK NO	REFERENCE	DEBITS	CREDITS	NET CHANGE
JOURNAL DATE PERIOD ACCT NO NAME							ENDING BAL

25-99-5634	911 Recording				.00		
		BUDGET	4,500.00				
		ENCUMBERED	.00				
		AVAILABLE	361.37		4,138.63	.00	4,138.63

25-99-8905	27th Payroll				.00		
GL3742 7/14/21 7/21			27th Payroll		16,563.68		
GL3743 7/14/21 7/21			27th Payroll		424.26		
		BUDGET	15,354.72				
		ENCUMBERED	.00				
		AVAILABLE	1,633.22-		16,987.94	.00	16,987.94

25-99-9998	INACTIVE EXPENSE				.00		
------------	------------------	--	--	--	-----	--	--

25-99-9999	PROFIT HANDLER				.00		
GL3837 12/31/21 12/21			YEAR END ADJ.			179,750.26	
		BUDGET	.00				
		ENCUMBERED	.00				
		AVAILABLE	179,750.26		.00	179,750.26	179,750.26-

REPORT TOTALS

TOTAL DEBITS / CREDITS

=====

1,858,153.09 1,858,153.09



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
January 2023

Report No. 2023-007

March 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## January 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 31 political subdivisions required to file a financial report by January 31, 2023, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the reports submitted and, accordingly, do not express an opinion or any other assurance on them.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in January 2023, after their filing deadline. The filing status for these 37 entities is presented in summary on page 3 and by individual entity in Appendixes B to E.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized with a large "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## January 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

This report includes the filing status for the 31 political subdivisions, other than cities, towns, and villages, with a fiscal year end of July 31, 2022. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 31 political subdivisions, 24 filed an annual financial report timely.

This report also includes the filing status for 37 political subdivisions, other than cities, towns, and villages, that filed their financial report in January 2023, after their filing deadline.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due January 31, 2023

Fiscal Year Ended July 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Benton	Ionia SRD Benton County	Yes	December 5, 2022
Carroll	Mi De Levee District	Yes	June 28, 2022
	Sugartree Bottom Levee District	Yes	August 19, 2022
Lafayette	Alma FPD	No	
	Alma SRD Lafayette County	Yes	November 30, 2022
	Concordia SRD Lafayette County	Yes	November 30, 2022
	Corder SRD Lafayette County	Yes	November 30, 2022
	Dover SRD Lafayette County	Yes	November 30, 2022
	Higginsville SRD Lafayette County	Yes	November 30, 2022
	Lexington SRD Lafayette County	Yes	November 30, 2022
	Mayview SRD Lafayette County	Yes	November 30, 2022
	Odessa SRD Lafayette County	Yes	November 30, 2022
	Waverly SRD Lafayette County	Yes	November 30, 2022
	Wellington Napoleon SRD Lafayette County	Yes	November 30, 2022
Lewis	La Grange SRD Lewis County	No	
Macon	Hudson SRD Macon County	Yes	October 19, 2022
	La Plata SRD Macon County	Yes	August 23, 2022
Monroe	Monroe City SRD Monroe County	Yes	January 13, 2023
Newton	Stella SRD Newton County	Yes	December 7, 2022
Osage	Chamois SRD Osage County	Yes	September 27, 2022
	Linn City SRD Osage County	No	
	Westphalia SRD Osage County	Yes	August 13, 2022
Platte	PWSD 9 Platte County	Yes	January 17, 2023
Randolph	Moberly SRD Randolph County	No	
Ray	Camden SRD Ray County	Yes	August 19, 2022
	Henrietta SRD Ray County	No	
	Orrick SRD Ray County	Yes	August 26, 2022
	Richmond SRD Ray County	No	
Scott	Illmo SRD Scott County	Yes	September 21, 2022
	Sikeston SRD Scott County	No	
St. Francois	St. Francois County SRD 2	Yes	January 24, 2023
Total Filed		24	
Total Not Filed		7	

Acronyms:

FPD	Fire Protection District
PWSD	Public Water Supply District
SRD	Special Road District

Appendix B

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2022

Filed in January 2023

Fiscal Year Ended December 31, 2021

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis	St. Cyr Road TDD	Yes	January 24, 2023
Total Filed		1	

Acronyms:

TDD                      Transportation Development District

Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due October 31, 2022

Filed in January 2023

Fiscal Year Ended April 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jackson	12th & Wyandotte CID	Yes	January 17, 2023
	InterContinental CID	Yes	January 9, 2023
Platte	Edgewood Farms CID	Yes	January 10, 2023
Total Filed		3	

Acronyms:

CID                      Community Improvement District



Appendix D

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due November 30, 2022

Filed in January 2023

Fiscal Year Ended May 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Barry	Southwest Rural Water Supply District 1	Yes	January 4, 2023
Total Filed		1	

## Appendix E

### Status of Political Subdivisions Required to File Annual Financial Reports Reports Due December 31, 2022 Filed in January 2023

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Benton	Good Samaritan NHD	Yes	January 26, 2023
Cape Girardeau	Cape Girardeau Library District	Yes	January 26, 2023
Chariton	Chariton County Ambulance District	Yes	January 25, 2023
Gentry	Albany Community FPD	Yes	January 23, 2023
Grundy	Grundy County NHD	Yes	January 25, 2023
Harrison	East Fork of Big Creek Subdistrict	Yes	January 25, 2023
	Panther Creek Watershed Subdistrict	Yes	January 25, 2023
	West Fork of Big Creek Subdistrict	Yes	January 25, 2023
Lafayette	Corder FPD	Yes	January 10, 2023
Macon	Macon County NHD	Yes	January 4, 2023
Mississippi	Mississippi County Port Authority	Yes	January 3, 2023
	St. Johns Levee & Drainage District	Yes	January 3, 2023
New Madrid	PWSD 1 New Madrid County	Yes	January 9, 2023
Pemiscot	Hayti-Ventures CID	Yes	January 31, 2023
Pike	Pike County Memorial Hospital	Yes	January 10, 2023
Platte	Northmoor Associates CID	Yes	January 23, 2023
Putnam	Putnam County Memorial Hospital	Yes	January 3, 2023
Ray	Ray County Ambulance District	Yes	January 30, 2023
Scotland	Scotland County Memorial Hospital	Yes	January 4, 2023
Shelby	Clarence NHD	Yes	January 24, 2023
	Clarence Public Library District	Yes	January 26, 2023
St. Louis	Olive Boulevard TDD	Yes	January 5, 2023
	St. Louis County Clean Energy Board	Yes	January 13, 2023
	Webster Groves Library District	Yes	January 9, 2023
St. Louis City	Clean Energy Development Board	Yes	January 13, 2023
	Crowne Plaza CID	Yes	January 26, 2023
	Downtown St. Louis CID	Yes	January 26, 2023
	Lighthouse St. Louis TDD	Yes	January 25, 2023
	Olive West CID	Yes	January 31, 2023
Ste. Genevieve	Levee District 3 Ste. Genevieve County	Yes	January 3, 2023
Stoddard	PWSD 1 Stoddard County	Yes	January 26, 2023
Webster	Webster County NHD	Yes	January 31, 2023
Total Filed		32	

#### Acronyms:

CID	Community Improvement District
FPD	Fire Protection District
NHD	Nursing Home District
PWSD	Public Water Supply District
TDD	Transportation Development District



# Scott Fitzpatrick

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## Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
January 2023

Report No. 2023-006

March 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## January 2023

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by January 31, 2023, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180. No cities, towns, or villages had a fiscal year end of July 31, 2022; therefore, no financial reports, addendums, or certifications were due by January 31, 2023.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in January 2023, after their filing deadline. The filing status for these 59 cities and 6 villages is presented in summary on page 4 and by individual entity in Appendixes A to E.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

## January 2023

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires that the SAO notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and mandatory ballot measure to dissolve the political subdivision.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



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Monthly Report on Municipal Court and Revenue Filings  
January 2023  
Executive Summary

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No cities, towns, or villages had a fiscal year end of July 31, 2022; therefore no financial reports, addendums, or certifications were due by January 31, 2023.

This report includes the filing status for 59 cities and 6 villages that filed at least one of the items (financial report, addendum, or certification) in January 2023, after their filing deadline. Of these municipalities, 46 filed an annual financial report, 19 filed an addendum, and 10 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due March 31, 2022  
Filed in January 2023

Fiscal Year Ended September 30, 2021

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Lafayette	City of Higginsville	**	January 6, 2022	Yes	Yes
Total Filed		0		1	1

\*\* Filed by March 31, 2022.



Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2022  
Filed in January 2023

Fiscal Year Ended December 31, 2021

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Butler	City of Poplar Bluff	***	July 25, 2022	No	Yes
Holt	City of Forest City	Yes	January 12, 2023	No	N/A
Mississippi	City of Wyatt	Yes	January 20, 2023	N/A	N/A
Moniteau	City of Jamestown	**	June 29, 2022	Yes	N/A
Ray	City of Excelsior Estates	Yes	January 11, 2023	N/A	N/A
Total Filed		3		1	1

\*\* Filed by June 30, 2022.

\*\*\* Filed after June 30, 2022, but before January 2023.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix C  
 Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
 Reports Due September 30, 2022  
 Filed in January 2023

Fiscal Year Ended March 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
St. Louis	City of Velda Village Hills	No		No	Yes
Total Filed		0		0	1

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due October 31, 2022  
Filed in January 2023

Fiscal Year Ended April 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Phelps	City of St. James	**	May 25, 2022	Yes	Yes
Total Filed		0		1	1

\*\* Filed by October 31, 2022.

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in January 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Adair	City of Novinger	Yes	January 11, 2023	No	N/A
Atchison	City of Westboro	Yes	January 28, 2023	N/A	N/A
Caldwell	City of Cowgill	Yes	January 4, 2023	**	N/A
Cass	City of Archie	Yes	January 11, 2023	No	N/A
	City of Cleveland	Yes	January 24, 2023	No	N/A
	Village of Loch Lloyd	Yes	January 26, 2023	N/A	N/A
Chariton	City of Brunswick	**	August 30, 2022	Yes	N/A
Clinton	City of Gower	**	December 31, 2022	Yes	Yes
	City of Lathrop	**	December 27, 2022	**	Yes
Cole	City of Taos	Yes	January 1, 2023	Yes	N/A
Crawford	City of Bourbon	**	December 31, 2022	Yes	N/A
Dade	City of Greenfield	**	September 21, 2022	No	Yes
	City of Lockwood	Yes	January 17, 2023	No	N/A
DeKalb	City of Clarksdale	Yes	January 25, 2023	**	N/A
	City of Maysville	Yes	January 9, 2023	No	N/A
Douglas	City of Ava	**	December 21, 2022	Yes	N/A
Franklin	City of Pacific	Yes	January 31, 2023	No	No
	City of Union	**	September 20, 2022	Yes	**
Gasconade	City of Bland	Yes	January 3, 2023	**	**
Gentry	City of Albany	Yes	January 6, 2023	Yes	N/A
	City of King City	Yes	January 12, 2023	No	N/A
Grundy	City of Galt	Yes	January 28, 2023	N/A	N/A
	Village of Brimson	Yes	January 25, 2023	N/A	N/A
Holt	City of Craig	Yes	January 26, 2023	Yes	N/A
Iron	City of Ironton	Yes	January 26, 2023	No	N/A
Jefferson	City of Byrnes Mill	Yes	January 27, 2023	**	**
	City of Herculaneum	Yes	January 3, 2023	Yes	Yes
Johnson	City of Holden	Yes	January 29, 2023	No	N/A
Lafayette	City of Wellington	**	December 13, 2022	Yes	N/A
Lewis	City of Canton	Yes	January 4, 2023	No	No
Macon	City of Bevier	Yes	January 26, 2023	No	N/A
Marion	City of Hannibal	Yes	January 25, 2023	No	**
Miller	Village of Brumley	Yes	January 17, 2023	N/A	N/A
Mississippi	Village of Wilson City	Yes	January 2, 2023	N/A	N/A
Montgomery	City of Middletown	Yes	January 31, 2023	No	N/A
Newton	Village of Saginaw	Yes	January 27, 2023	N/A	N/A
Nodaway	City of Barnard	Yes	January 5, 2023	No	N/A
Oregon	City of Thayer	Yes	January 6, 2023	No	**
Pemiscot	City of Steele	**	December 5, 2022	Yes	Yes
Pike	City of Clarksville	**	December 29, 2022	Yes	N/A
Polk	City of Morrisville	Yes	January 25, 2023	No	N/A
	Village of Flemington	Yes	January 2, 2023	N/A	N/A
Ralls	City of New London	Yes	January 4, 2023	No	N/A
Scott	City of Benton	**	December 16, 2022	Yes	N/A
	City of Sikeston	Yes	January 11, 2023	**	**
Shelby	City of Clarence	Yes	January 26, 2023	No	No

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Filed in January 2023

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
St. Francois	City of Bismarck	Yes	January 26, 2023	No	No
St. Louis	City of Bella Villa	**	December 28, 2022	**	Yes
	City of Bellefontaine Neighbor	Yes	January 26, 2023	No	**
	City of Berkeley	Yes	January 12, 2023	No	No
	City of Country Club Hills	Yes	January 30, 2023	No	N/A
	City of Hazelwood	**	December 29, 2022	Yes	**
	City of Valley Park	Yes	January 27, 2023	**	**
St. Louis City	City of St. Louis City	**	December 30, 2022	Yes	**
Warren	City of Warrenton	Yes	January 4, 2023	No	No
Washington	City of Irondale	Yes	January 26, 2023	N/A	N/A
Wright	City of Hartville	Yes	January 27, 2023	Yes	N/A
Total Filed		43		16	6

\*\* Filed by December 31, 2022.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.



**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

February 27, 2023

Honorable Teri Gillette, Mayor  
and  
Members of the Board of Aldermen  
City of Cross Timbers  
105 Park Street  
Cross Timbers, MO 65634

This letter communicates the results of our review of the handling of utility receipts, billings, adjustments, deposits, and delinquent accounts by the City Clerk. This review was initiated based on work performed as part of the Auditor's Follow-Up Team to Effect Recommendations (AFTER) program when we identified a \$200 missing utility cash receipt during a cash count conducted on October 24, 2022, and had additional concerns related to the handling of customer utility payments. The objectives of our review were to evaluate the city's internal controls over the handling of utility receipts, billings, adjustments, deposits, and delinquent accounts; and determine the extent of missing money from the city during the period August 2022 through October 2022. The *Follow-Up Report on Audit Findings - City of Cross Timbers*, Report No. 2022-124, was issued in December 2022.

**Methodology**

Our methodology included obtaining an understanding of procedures related to the handling of customer utility payments and deposits; reviewing utility receipt and deposit records, utility system transactions, reports of delinquent utility accounts, and other pertinent documents; interviewing various city personnel, as well as certain external parties; and testing selected transactions.

**Background**

The City Clerk, Cyndey Bennett, began employment with the city on July 8, 2020, and currently serves as the City Clerk. She is primarily responsible for financial accounting functions and records of the city, including the duties of receiving, recording, and preparing and making deposits. She is also responsible for preparing utility bills, posting payments in the utility system, making adjustments in the utility system, and monitoring delinquent utility accounts.

**Results, Conclusions, and Recommendations**

**1. Receipting, recording, and depositing**

The City Clerk's handling of a \$200 cash receipt is questionable, and a \$54 utility cash receipt is missing.

A \$200 cash receipt received on September 18, 2022 (receipt slip number 562662), was missing during an October 24, 2022, cash count conducted by auditors. At the time of the cash count, auditors photocopied the carbon copies of all manual receipt slips issued from September 1, 2022, to October 24, 2022, including the \$200 cash receipt slip. Six weeks after the receipt slip was issued and a week after auditors conducted the cash count, the City Clerk indicated in an October 31, 2022, email to audit staff that she had found the \$200 cash, the top copy of the receipt slip, and a utility payment billing stub under her desk calendar. The City Clerk attached a PDF of the top copy of the manual receipt slip (receipt slip number 562662) and a utility payment billing stub to the email message to support her comments. However, the date of the manual receipt slip emailed to auditors had been altered from September 18, 2022, to October 3, 2022. Copies of these receipt slips are shown below:<sup>1</sup>

Receipt slip photocopied by auditors

RECEIPT No. 562662  
DATE 9-18-22  
FROM [REDACTED] \$200.00  
CT WATER & SEWER DOLLARS  
FOR RENT  
FOR ACCT-160  
ACCT. 160  
PAID 200.00  
DUE  
FROM TO  
BY C. Bennett  
A-1152 T-4181

Altered receipt slip emailed to auditors

RECEIPT No. 562662  
DATE 9/18/22 10-3-22  
FROM [REDACTED] \$200.00  
CT WATER & SEWER DOLLARS  
FOR RENT  
FOR ACCT-160  
ACCT. 160  
PAID 200.00  
DUE  
FROM TO  
BY C. Bennett  
A-1152 T-4181

The City Clerk indicated in a recorded interview conducted on November 9, 2022, that she could not provide the original top copy receipt slip to auditors that day because she mailed it to the utility customer after she found it under her desk calendar. The City Clerk also could not adequately explain why she altered the date of the receipt slip.

This receipt, per the utility software provider and the utility system, was not posted to the utility system until November 2022, but the transaction was backdated to October 20, 2022, by the City Clerk. The City Clerk indicated she did not find the missing \$200 cash receipt until October 31, 2022, so she backdated the receipt date to avoid the customer being assessed a late fee in the utility system. However, as noted below no late fees were assessed by the City Clerk to any customer utility accounts reviewed from August 2022 through October 2022.

The handling of this \$200 cash receipt is questionable because this receipt was not on hand for our cash count on October 24, 2022, the date written on the receipt slip was altered, and the cash was held and not recorded in the utility system or deposited until November 2022 (almost 2 months after receipt).

<sup>1</sup> The redactions are of information of a personal, privileged, or sensitive nature.

Due to concerns related to the missing \$200 cash receipt, we reviewed utility receipts received and deposited during the period of July 2022 through October 2022, and identified a \$54 cash receipt that was not deposited and is missing. Auditors determined 2 manual receipt slips (receipt number 562652 and 562655) were each issued to a utility customer for \$54 cash (totaling \$108). However, only \$54 was subsequently deposited, and the remaining \$54 was not deposited and is missing. Receipt number 562652 was dated August 15, 2022, and no date was indicated on receipt slip number 562655, as shown below:<sup>2</sup>

The image shows two utility receipts side-by-side. Both are for \$54.00 cash payment for water and sewer service. Receipt No. 562652 is dated 8-15-22 and signed by C. Bennett. Receipt No. 562655 is undated and also signed by C. Bennett. Both receipts have a 'PAID' amount of \$54.00 and a 'DUE' amount of \$54.00. The payment method is marked as 'CASH'.

RECEIPT		No. 562652	
DATE	8-15-22	FROM	[REDACTED]
		\$54.00	
CT WATER & SEWER		DOLLARS	
<input type="radio"/> FOR RENT <input type="radio"/> FOR ACCT			
ACCT.		CASH	<input checked="" type="radio"/>
PAID	54.00	CHECK	<input type="radio"/>
DUE		MONEY ORDER	<input type="radio"/>
		CREDIT CARD	<input type="radio"/>
		FROM	TO
		BY C. Bennett	

RECEIPT		No. 562655	
DATE		FROM	[REDACTED]
		\$54.00	
CT WATER & SEWER		DOLLARS	
<input type="radio"/> FOR RENT <input type="radio"/> FOR ACCT			
ACCT.		CASH	<input checked="" type="radio"/>
PAID	54.00	CHECK	<input type="radio"/>
DUE		MONEY ORDER	<input type="radio"/>
		CREDIT CARD	<input type="radio"/>
		FROM	TO
		BY C. Bennett	

According to the utility software programmer, transaction number 42133 for \$0 was posted to the utility system as a beginning balance on August 29, 2022, for this customer. A \$54 cash receipt (transaction number 42262) was posted to the utility system on September 15, 2022, but the other \$54 cash receipt was not posted to the utility system.

The handling of these two \$54 receipts is questionable. One of the \$54 cash payments was held 1 month before being posted to the utility system and held over 2 months before being deposited on October 17, 2022. When questioned about the \$54 missing cash receipt, the City Clerk responded by email that "After starting service there there [sic] was a leak and services not used and I returned the payment he had dropped into the dropbox [sic]." However, no supporting documentation was provided by the City Clerk to support this statement. We attempted to contact the utility customer to discuss these payments, but did not receive a response.

In addition, another manual receipt slip (number 562663) was issued to this utility customer on October 8, 2022, for \$58.87 cash, but the receipt was backdated in the utility system to September 15, 2022, and not deposited until October 17, 2022. We noted numerous other utility receipts (transactions) were backdated during our review of the utility system.

We recommend the Board of Aldermen further investigate the \$54 missing utility payment, determine the reason for the missing money, and take any necessary action. The Board should ensure receipts are posted to the utility system timely and accurately record the date posted. Money received should be deposited timely and intact. In addition, the Board should segregate accounting duties as appropriate, and implement independent reviews and monitoring procedures.

<sup>2</sup> The redactions are of information of a personal, privileged, or sensitive nature.



## 2. Adjustments, billings, and deleted transactions

Some utility account adjustments and billings reviewed were unusual. For example, a utility customer's account history showed consistent billing and payment amounts from January to August 2021, but the account was not billed in October 2021 or January, March, April, May, and June 2022. Unusual adjustments were made in some of these months to reduce outstanding balances to \$0, as noted below:

Month and Year	Beginning Balance	Billings	Payments	Adjustments	Ending Balance
January 2021	\$ 28.57	28.57	28.57		28.57
February 2021	28.57	28.57	28.57		28.57
March 2021	28.57	28.57	28.57		28.57
April 2021	28.57	30.00			58.57
May 2021	58.57	28.57	58.57		28.57
June 2021	28.57	28.57	28.57		28.57
July 2021	28.57	28.57	28.57		28.57
August 2021	28.57	28.57	28.57		28.57
September 2021	28.57	30.00			58.57
October 2021	58.57			(58.57)	0.00
November 2021	0.00	28.57			28.57
December 2021	28.57	30.00			58.57
January 2022	58.57			(58.57)	0.00
February 2022	0.00	28.57			28.57
March 2022	28.57			(28.57)	0.00
April 2022	0.00				0.00
May 2022	0.00				0.00
June 2022	0.00				0.00
July 2022	0.00	28.57			28.57
August 2022	28.57	28.57		(28.57)	28.57
September 2022	28.57	28.57	30.00	1.43 <sup>1</sup>	28.57

<sup>1</sup> A negative \$28.57 adjustment was posted on October 10, 2022, and a \$30.00 adjustment was posted on October 11, 2022.

The October 2021 meeting minutes indicated this utility customer's "sewer bill would be exempt until this issue is resolved." For some months this account was not billed and for other months the account was billed and subsequently adjusted. It is unclear why the account was billed in some months and not billed in other months. The Board currently reviews all adjustments; however, they do not review billings to ensure all customers are billed each month. Utility services should be consistently billed and if adjustments are needed, the adjustments should be reviewed and approved by the Board each month.

In addition, the City Clerk and the Board do not review transaction numbers in the utility system to ensure transactions have not been deleted. Our review of the utility system identified 51 deleted transactions from July 2022 through October 2022. The City Clerk and Mayor indicated they were not aware these transactions had been deleted. The utility system does not allow deleted transactions to be recovered, so we could not review these transactions.

We recommend the Board of Aldermen require an adequate independent and/or supervisory review and approval of all adjustments, billings, and deleted transactions made in the utility system, and consider utility system changes to prevent personnel from being able to delete transactions.

### 3. Delinquent utility accounts

The City Clerk is not shutting off delinquent utility accounts after 30 days past due as required by city ordinance. Our review showed the City Clerk failed to shut off at least 11 customer utility accounts that had recurring delinquent balances during the time period of August 2021 through October 2022. In addition, the City Clerk allowed some of these customers (including herself) to make partial payments on their delinquent accounts, which is not allowed by ordinance. Two of the 11 accounts that were not shut off by the City Clerk were accounts of the City Clerk and her son, creating a conflict of interest.

The City Clerk also stopped billing utility customers late fees from August 2022 through October 2022. The Mayor indicated utility customers were not assessed late fees during this time because the Maintenance Technician was sick and did not read the meters timely; however, meeting minutes were not provided to document the Board's review and approval of this decision.

The City Clerk also failed to pay her monthly utility account balance and did not follow city ordinance that requires delinquent accounts be shut off when the account is more than a month overdue. The City Clerk also made partial payments on her utility account balance without Board approval. The following table shows the City Clerk's utility account history from August 2021 through October 2022:

Month and Year	Beginning Balance	Billings	Payments	Adjustments	Ending Balance
August 2021	\$ 230.68	80.83	154.16		157.35
September 2021	157.35	76.94			234.29
October 2021	234.29	80.71			315.00
November 2021	315.00	78.17			393.17
December 2021	393.17	74.29			467.46
January 2022	467.46	79.14	200.00		346.60
February 2022	346.60	81.48			428.08
March 2022	428.08	80.03			508.11
April 2022	508.11	76.10	308.11		276.10
May 2022	276.10	74.29			350.39
June 2022	350.39	84.94			435.33
July 2022	435.33	84.07	435.33		84.07
August 2022	84.07	86.28			170.35
September 2022	170.35	67.51			237.86
October 2022	237.86	0.00	171.00		66.86

The City Clerk's utility services should have been shut off in 13 of the 15 months reviewed.

According to utility system records, the City Clerk's son opened a utility account on August 23, 2021, and was billed \$485 over the course of nine months without making a payment. The City Clerk did not follow city ordinance that requires delinquent accounts be shut off when the account is more than a month overdue. The City Clerk closed her son's account in May 2022, leaving the city with an unpaid utility bill of \$485 as noted in the table below:

Month and Year	Beginning Balance	Billings	Payments	Adjustments <sup>1</sup>	Ending Balance
August 2021	\$ 0.00	56.07			56.07
September 2021	56.07	58.87			114.94
October 2021	114.94	58.87			173.81
November 2021	173.81	58.87			232.68
December 2021	232.68	58.87			291.55
January 2022	291.55	67.02			358.57
February 2022	358.57	59.28			417.85
March 2022	417.85	61.38			479.23
April 2022	479.23	59.00			538.23
May 2022	538.23	2.80		(56.07)	484.96

<sup>1</sup> Adjustment was made to the utility account to credit the April 2022 billing amount (less penalties).

Utility services for the City Clerk's son should have been shut off in 9 of the 10 months reviewed. The City Clerk indicated she monitored delinquent accounts each month by calling utility customers to discuss payment of their delinquent accounts. However, no documented attempts to collect these balances were made by the City Clerk or the Board.

We attempted to contact all 11 utility customers with recurring delinquent balances. Only 1 customer responded. That customer was a business and indicated it only paid the utility bill when a bill was received and there were several months in which a monthly bill was not received.

We recommend the Board of Aldermen ensure utility service is billed monthly, late fees are properly assessed, and utility services are shut off in accordance with city ordinance. The Board should also pursue collection of delinquent utility accounts, and closely examine city utility transactions to identify conflicts of interest. In addition, if the Board chooses to allow partial payments, it should establish a written partial payment policy, review and approve customer payment agreements, and monitor delinquent accounts.

#### **4. Utility deposits**

The city does not reconcile customer utility deposit balances reported in the utility system to the city's Meter Fund bank account. Utility system records indicated customer utility deposits totaled \$6,361 on October 24, 2022, and this amount should have been on hand in the Meter Fund bank account. However, the list of customer utility deposits was not accurate or complete and we identified a shortage of \$5,977 in the Meter Fund bank account.

The city's list of customer utility deposits included \$1,571 in deposits for 22 customers who no longer have active utility accounts and the related utility deposits should have been applied to the delinquent account balances or refunded to the customers. The City Clerk also indicated the utility system did not accurately reflect when utility deposits were applied to delinquent accounts or refunded.

We compared a current list of utility customers to the list of customer utility deposits on hand. There were 13 current customers that did not have a deposit on the list of customer utility deposits (including 2 current Aldermen). We estimated an additional \$1,300 (13 customers at \$100 each) of utility deposits should be on hand as required by city ordinance.

The City Clerk has not made adequate attempts to correct errors related to the utility deposits recorded in the utility system or determine the status of deposits of current utility account holders that have no utility deposit recorded in the utility system. As a result, as of October 24, 2022, \$7,661 (\$6,361 plus \$1,300) should have been on hand for customer utility deposits in the Meter Fund bank account based on the records. However, the reconciled cash balance as of October 24, 2022, was only \$1,684, resulting in a shortage of \$5,977 in the Meter Fund bank account.

We recommend the Board of Aldermen review records of the 22 inactive accounts to determine how those deposits should be handled and determine if the 13 customers with no deposit listed had previously paid a utility deposit. The Board should also reconcile customer utility deposits per the utility system to accounting records and cash balances monthly, and promptly investigate any differences.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized with a large, looped "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick  
State Auditor



# Scott Fitzpatrick

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Missouri State Auditor

## Compilation of 2022 Criminal Activity Forfeiture Act Seizures

Report No. 2023-004

February 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Compilation of 2022 Criminal Activity Forfeiture Act Seizures

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

As required by Section 513.607, RSMo, we have compiled the 2022 Criminal Activity Forfeiture Act (CAFA) seizure reports submitted to the State Auditor by prosecuting attorneys and the Attorney General. The compilation is limited to information submitted to the State Auditor's Office. We have not audited the reports submitted and, accordingly, do not express an opinion or any other form of assurance on them. The primary objectives of this compilation were to:

1. Compile the 2022 CAFA seizure information reported.
2. Identify officials who submitted 2022 CAFA seizure reports to the State Auditor.

Section 513.607, RSMo, requires prosecuting attorneys and the Attorney General to report CAFA seizures for the previous calendar year by January 31, to both the Director of the Department of Public Safety and the State Auditor. Of the 116 potential reporting officials, we received reports from each official.

Compliance with Section 513.653, RSMo, which requires law enforcement agencies involved in using the federal forfeiture system to submit reports regarding federal seizures and the proceeds therefrom to the State Auditor's Office, will be separately reported.

Scott Fitzpatrick  
State Auditor

# Compilation of 2022 Criminal Activity Forfeiture Act Seizures

## Executive Summary

### CAFA Seizure Reports Submitted

The State Auditor received 116 of the total possible 116 Criminal Activity Forfeiture Act (CAFA) seizure reports from prosecuting attorneys and the Attorney General for property seized during calendar year 2022.

Section 513.607.10, RSMo, states intentional or knowing failure to comply with any reporting requirement shall be a class A misdemeanor punishable by a fine of up to \$1,000.

### Disposition of the Seizures Reported

We compiled the disposition of seizures as reported by prosecuting attorneys and the Attorney General for property seized during calendar year 2022. The following table lists the overall dollar value of the dispositions by category as reported to the State Auditor for 2022, 2021, and 2020.

Reported Disposition	2022		2021		2020	
Pending	\$ 2,815,936	58.2 %	\$ 2,539,831	47.4 %	\$ 1,976,806	47.2 %
Returned	280,183	5.8	259,985	4.9	449,926	10.7
Transferred to Federal Agency	1,524,486	31.5	1,815,915	33.9	1,626,927	38.8
Transferred to State	67,501	1.4	101,322	1.9	28,437	0.7
Other	18,564	0.4	631,050	11.8	60,586	1.5
Disposition Not Reported	128,499	2.7	5,171	0.1	48,003	1.1
Total	\$ 4,835,169	100.0 %	\$ 5,353,274	100.0 %	\$ 4,190,685	100.0 %

See Appendix I for the 2022 CAFA seizures disposition as reported by each prosecuting attorney and the Attorney General.

### Reporting of Seizures Information

Section 513.607.8, RSMo, states prosecuting attorneys and the Attorney General shall report the date, time, and place of the seizure; property seized; estimated value of the property seized; person(s) from whom the property was seized; criminal charges filed; and disposition of the seizure, forfeiture, and criminal actions. See Appendix II for the number of 2022 CAFA seizures reported with this information.



Appendix I  
2022 CAFA Seizures Disposition Reported

Reporting Entity	Estimated Value of Seizures Reported	Status Reported as of December 31, 2022					
		Pending	Returned	Transferred to Federal Agency	Transferred to State	Other	Not Reported
Adair	\$ 4,303	4,303					
Andrew	0						
Atchison	0						
Attorney General	0						
Audrain	15,891	15,891					
Barry	75,974			75,974			
Barton	3,315						3,315
Bates	13,257	2,696					10,561
Benton	0						
Bollinger	0						
Boone	61,782		35,047	23,235			3,500
Buchanan	9,408					9,408	
Butler	0						
Caldwell	0						
Callaway	80,346	80,346					
Camden	0						
Cape Girardeau	8,947	8,947					
Carroll	0						
Carter	32,858	21,192	10,000		1,666		
Cass	37,608	37,608					
Cedar	0						
Chariton	0						
Christian	8,898	8,898					
Clark	0						
Clay	88,032	88,032					
Clinton	0						
Cole	79,734	77,108			2,344	282	
Cooper	1,060		1,060				
Crawford	15,606	13,364			2,242		
Dade	0						
Dallas	0						
Daviess	0						
DeKalb	0						
Dent	16,344	16,344					
Douglas	3,450	3,450					
Dunklin	7,322			7,322			
Franklin	21,503	21,503					
Gasconade	0						
Gentry	0						
Greene	304,545	281,601	22,944				
Grundy	337	337					
Harrison	0						
Henry	694	694					
Hickory	0						
Holt	0						

Appendix I  
2022 CAFA Seizures Disposition Reported

Reporting Entity	Estimated Value of Seizures Reported	Status Reported as of December 31, 2022					Not Reported
		Pending	Returned	Transferred to Federal Agency	Transferred to State	Other	
Howard	3,962						3,962
Howell	2,615	2,615					
Iron	24,374	20,700	3,674				
Jackson	555,965	541,985				8,874	5,106
Jasper	79,432	56,790		22,642			
Jefferson	90,323	46,739	7,317	36,267			
Johnson	896	896					
Knox	0						
Laclede	16,286	16,286					
Lafayette	51,896	51,896					
Lawrence	0						
Lewis	0						
Lincoln	4,650	4,650					
Linn	0						
Livingston	0						
Macon	0						
Madison	0						
Maries	0						
Marion	0						
McDonald	0						
Mercer	0						
Miller	0						
Mississippi	10,020			10,020			
Moniteau	0						
Monroe	0						
Montgomery	1,382	1,382					
Morgan	0						
New Madrid	173,750			155,000			18,750
Newton	101,662	90,092	8,525				3,045
Nodaway	0						
Oregon	0						
Osage	0						
Ozark	0						
Pemiscot	6,850		1,375	5,475			
Perry	0						
Pettis	48,068	48,068					
Phelps	381,244	6,300		374,944			
Pike	22,506	22,506					
Platte	23,218	23,218					
Polk	0						
Pulaski	0						
Putnam	0						
Ralls	600,000			600,000			
Randolph	81,386	1,126					80,260
Ray	0						

Appendix I  
2022 CAFA Seizures Disposition Reported

Reporting Entity	Estimated Value of Seizures Reported	Status Reported as of December 31, 2022					
		Pending	Returned	Transferred to Federal Agency	Transferred to State	Other	Not Reported
Reynolds	0						
Ripley	0						
Saline	33,741	33,741					
Schuyler	0						
Scotland	0						
Scott	30,101	30,101					
Shannon	0						
Shelby	0						
St. Charles	533,501	533,501					
St. Clair	0						
St. Francois	6,492	6,492					
St. Louis City	251,548	180,587		9,712	61,249		
St. Louis County	509,528	115,542	190,091	203,895			
Ste. Genevieve	62,169	62,169					
Stoddard	0						
Stone	0						
Sullivan	0						
Taney	47,916	47,916					
Texas	0						
Vernon	0						
Warren	2,975	2,975					
Washington	3,356	3,356					
Wayne	0						
Webster	178,168	178,168					
Worth	3,975	3,825	150				
Wright	0						
	\$ 4,835,169	2,815,936	280,183	1,524,486	67,501	18,564	128,499

This appendix compiles only the data and dispositions pertaining to 2022 CAFA seizures reported to the State Auditor by prosecuting attorneys and the Attorney General. We did not verify this data. Information regarding seizures in previous years is not reflected in this compilation.

Appendix II  
2022 CAFA Seizures Information Reported

Reporting Entity	Number of Seizures Reported	Estimated Value of Seizures Reported	Reporting of Seizures Information								
					Place Seized	Property Seized	Estimated Value of Property Seized	Person(s) Property Seized From	Criminal Charges Filed	Disposition	
			Date	Time						Seizure	Criminal Actions
Adair	2	\$ 4,303	2	2	2	2	2	2	2	2	2
Andrew	0	0									
Atchison	0	0									
Attorney General	0	0									
Audrain	1	15,891	1	0	1	1	1	1	0	1	0
Barry	2	75,974	2	0	2	2	2	2	1	2	1
Barton	1	3,315	1	1	1	1	1	1	1	0	1
Bates	3	13,257	3	2	3	3	3	3	3	1	3
Benton	0	0									
Bollinger	0	0									
Boone	6	61,782	6	0	6	6	6	6	6	5	6
Buchanan	3	9,408	3	1	3	3	3	3	3	3	3
Butler	0	0									
Caldwell	0	0									
Callaway	10	80,346	10	10	10	10	10	10	10	10	10
Camden	0	0									
Cape Girardeau	2	8,947	2	2	2	2	2	2	2	2	2
Carroll	0	0									
Carter	4	32,858	4	0	3	4	4	4	4	4	4
Cass	5	37,608	5	5	5	5	5	5	4	5	4
Cedar	0	0									
Chariton	0	0									
Christian	3	8,898	3	3	3	3	3	3	3	3	2
Clark	0	0									
Clay	5	88,032	5	5	5	5	5	5	2	5	2
Clinton	0	0									
Cole	20	79,734	20	20	20	20	20	20	20	20	20
Cooper	1	1,060	1	1	1	1	1	1	1	1	1
Crawford	3	15,606	3	0	3	3	3	3	3	3	3
Dade	0	0									
Dallas	0	0									
Daviess	0	0									
DeKalb	0	0									
Dent	2	16,344	2	2	2	2	2	2	2	2	2
Douglas	1	3,450	1	0	1	1	1	1	1	1	1
Dunklin	2	7,322	2	2	2	2	1	2	2	2	2
Franklin	5	21,503	5	3	5	5	5	5	5	5	5
Gasconade	0	0									
Gentry	0	0									
Greene	20	304,545	20	18	19	20	20	20	2	20	2
Grundy	1	337	1	1	1	1	1	1	1	1	1
Harrison	0	0									
Henry	2	694	2	0	2	2	2	2	0	2	0
Hickory	0	0									
Holt	0	0									

Appendix II  
2022 CAFA Seizures Information Reported

Reporting Entity	Number of Seizures Reported	Estimated Value of Seizures Reported	Reporting of Seizures Information								
					Place Seized	Property Seized	Estimated Value of Property Seized	Person(s) Property Seized From	Criminal Charges Filed	Disposition	
			Date	Time						Seizure	Criminal Actions
Howard	1	3,962	1	1	1	1	1	1	1	0	1
Howell	1	2,615	1	1	1	1	1	1	1	1	1
Iron	2	24,374	2	2	2	2	2	2	2	2	2
Jackson	25	555,965	25	21	25	25	25	25	4	24	4
Jasper	7	79,432	7	0	7	7	7	7	7	7	7
Jefferson	16	90,323	16	16	16	16	16	16	0	16	0
Johnson	1	896	1	0	1	1	1	1	0	1	0
Knox	0	0									
Laclede	3	16,286	3	3	3	3	3	3	3	3	3
Lafayette	5	51,896	5	5	5	5	5	5	5	5	5
Lawrence	0	0									
Lewis	0	0									
Lincoln	3	4,650	3	3	3	3	3	3	3	3	3
Linn	0	0									
Livingston	0	0									
Macon	0	0									
Madison	0	0									
Maries	0	0									
Marion	0	0									
McDonald	0	0									
Mercer	0	0									
Miller	0	0									
Mississippi	1	10,020	1	1	1	1	1	1	1	1	1
Moniteau	0	0									
Monroe	0	0									
Montgomery	1	1,382	1	1	1	1	1	1	1	1	1
Morgan	0	0									
New Madrid	6	173,750	6	0	6	6	6	6	5	1	5
Newton	10	101,662	10	0	10	10	10	10	10	9	10
Nodaway	0	0									
Oregon	0	0									
Osage	0	0									
Ozark	0	0									
Pemiscot	1	6,850	1	0	1	1	1	1	1	1	1
Perry	0	0									
Pettis	4	48,068	4	4	4	4	4	4	4	4	4
Phelps	4	381,244	4	4	4	4	4	4	1	4	1
Pike	1	22,506	1	0	1	1	1	1	1	1	1
Platte	10	23,218	10	0	10	10	10	10	10	10	10
Polk	0	0									
Pulaski	0	0									
Putnam	0	0									
Ralls	1	600,000	1	1	1	1	1	1	0	1	0
Randolph	3	81,386	3	0	3	3	3	3	3	2	3
Ray	0	0									

## Appendix II

### 2022 CAFA Seizures Information Reported

Reporting Entity	Number of Seizures Reported	Estimated Value of Seizures Reported	Reporting of Seizures Information								
					Place Seized	Property Seized	Estimated Value of Property Seized	Person(s) Seized From	Criminal Charges Filed	Disposition	
			Date	Time						Seizure	Criminal Actions
Reynolds	0	0									
Ripley	0	0									
Saline	4	33,741	4	4	4	4	4	4	4	4	4
Schuyler	0	0									
Scotland	0	0									
Scott	3	30,101	3	0	3	3	3	3	2	3	2
Shannon	0	0									
Shelby	0	0									
St. Charles	8	533,501	8	8	8	8	8	8	2	8	2
St. Clair	0	0									
St. Francois	4	6,492	4	3	4	4	4	4	2	4	2
St. Louis City	41	251,548	41	0	41	41	41	41	7	41	7
St. Louis County	72	509,528	72	68	72	71	69	72	8	72	8
Ste. Genevieve	4	62,169	4	0	4	4	4	4	4	4	4
Stoddard	0	0									
Stone	0	0									
Sullivan	0	0									
Taney	6	47,916	6	1	6	6	6	6	5	6	5
Texas	0	0									
Vernon	0	0									
Warren	1	2,975	1	1	1	1	1	1	1	1	1
Washington	3	3,356	3	0	3	3	3	3	2	3	2
Wayne	0	0									
Webster	4	178,168	4	4	4	4	4	4	4	4	4
Worth	6	3,975	6	6	6	6	6	6	5	6	5
Wright	0	0									
	366	\$ 4,835,169	366	236	364	365	362	366	187	353	186

This appendix compiles only the data and dispositions pertaining to 2022 CAFA seizures, the total estimated value of seizures reported, and the number of seizures categorized by the type of information reported for each prosecuting attorney and the Attorney General. Criminal charges filed and criminal actions were only counted if a criminal case was in existence for the seizure. We did not verify this data. Information regarding seizures in previous years is not reflected in this compilation.



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Political  
Subdivision Filings  
December 2022

Report No. 2023-003

February 2023

[auditor.mo.gov](https://auditor.mo.gov)

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# Monthly Report on Political Subdivision Filings

## December 2022

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for political subdivisions other than cities, towns, and villages, required to file a financial report, under Section 105.145, RSMo, and 15 CSR 40-3.030. Section 105.145, RSMo, provides that the State Auditor's Office shall notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Because of different filing requirements, a separate report is issued for cities, towns, and villages.

The filing status for the 401 political subdivisions required to file a financial report by December 31, 2022, is presented in summary on page 3 and by individual entity in Appendix A. We have not audited the reports submitted and, accordingly, do not express an opinion or any other assurance on them.

This report also includes the updated filing status for political subdivisions, other than cities, towns, and villages, that filed a financial report in December 2022, after their filing deadline. The filing status for these 13 entities is presented in summary on page 3 and by individual entity in Appendixes B to D.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Political Subdivision Filings

## December 2022

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision in the state, except counties and school districts, to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

This report includes the filing status for the 401 political subdivisions, other than cities, towns, and villages, with a fiscal year end of June 30, 2022. Cities, towns, and villages have additional filing requirements and their reporting status is included in a separate report. Of the 401 political subdivisions, 319 filed an annual financial report timely.

This report also includes the filing status for 13 political subdivisions, other than cities, towns, and villages, that filed their financial report in December 2022, after their filing deadline.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Andrew	Andrew County NHD	Yes	November 2, 2022
Atchison	Benton Township & Rock Creek DD	Yes	July 26, 2022
	Lewis Drainage District	Yes	July 19, 2022
	West Langdon Drainage District	Yes	July 26, 2022
Barry	Barry County 911 Board	Yes	December 1, 2022
	Barry-Lawrence County PLD	Yes	November 28, 2022
Bates	PWSD 7 Bates County	Yes	September 7, 2022
Benton	Good Samaritan NHD	No	
	Lincoln Community NHD	No	
Boone	Hartsburg Levee District	Yes	November 21, 2022
Buchanan	2317 Belt CID	No	
	36th & Frederick CID	Yes	December 9, 2022
	American Electric Lofts CID	No	
	Belt Highway & Beck Road CID	Yes	December 9, 2022
	Commons CID	No	
	Cook Crossings CID	Yes	November 8, 2022
	East Hills CID	Yes	December 29, 2022
	Rolling Hills Consolidated PLD	No	
	St. Joseph Downtown CID	No	
	St. Joseph Public Library District	Yes	November 18, 2022
	Tuscany Village CID	No	
Butler	East Butler County Sewer District	Yes	September 1, 2022
Caldwell	Caldwell County Ambulance District	No	
	Hamilton Public Library District	No	
Camden	Camden County Ambulance District	Yes	December 31, 2022
	Cam-MO Ambulance District	Yes	December 13, 2022
	Lake of the Ozarks Area SBD Camden County	Yes	December 28, 2022
Cape Girardeau	Bloomfield Crossing CID	Yes	December 20, 2022
	Cape Dogwood CID	Yes	December 20, 2022
	Cape Girardeau Library District	No	
	Downtown Cape Girardeau CID	Yes	December 20, 2022
	Midamerica Crossings TDD	Yes	December 20, 2022
	North Cape County Rural FPD	Yes	July 25, 2022
	PWSD 2 Cape Girardeau County	Yes	September 21, 2022
	PWSD 5 Cape Girardeau County	Yes	August 22, 2022
	Reorganized Common SwrD Cape Gir. County	Yes	October 21, 2022
	Silver Springs CID	Yes	August 2, 2022
	Town Plaza Crossing CID	Yes	December 29, 2022
Carroll	Big Creek Watershed Subdistrict	Yes	September 13, 2022
	Sugartree Drainage District	Yes	August 18, 2022
Carter	Ellsinore Herren Avenue CID	Yes	December 20, 2022
	Ellsinore Rural FPD	No	
Cass	Dikeland Sewer District	Yes	August 17, 2022
	Mullendike Sewer District	Yes	September 21, 2022
	PWSD 11 Cass County	Yes	November 10, 2022
Chariton	Chariton County Ambulance District	No	
Christian	Ozark Centre TDD	Yes	September 16, 2022

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Clark	Clark County NHD	Yes	December 15, 2022
	Northeast Missouri Library District	Yes	July 20, 2022
Clay	58 North Oak CID	Yes	July 21, 2022
	Claycomo SRD Clay County	Yes	November 30, 2022
	Eastern Clay Ambulance District	Yes	September 28, 2022
	Meadowbrook Village CID	No	
	New Liberty Hospital District	Yes	December 2, 2022
	North Kansas City Levee District	Yes	December 19, 2022
	PWSD 2 Clay County	Yes	October 31, 2022
	Williams Creek WSD	Yes	December 16, 2022
Clinton	Consolidated PWSD 4 Clinton County	No	
Crawford	North Crawford Ambulance District	Yes	September 14, 2022
Dade	Dade County NHD	No	
Daviess	Community Ambulance District	Yes	December 19, 2022
	Pattonsburg Rescue & FPD	Yes	July 20, 2022
	West Fork of Big Creek WSD	Yes	July 28, 2022
DeKalb	Grindstone-Lost-Muddy-Creek WSD	Yes	November 22, 2022
Dent	Salem Memorial Hospital District	No	
	Salem Public Library District	No	
Dunklin	Consolidated DD 2 Dunklin County	Yes	December 27, 2022
	Dunklin County Sewer District	Yes	October 14, 2022
Franklin	Berger Levee District	Yes	July 25, 2022
	Dickey Bub CID	Yes	December 20, 2022
	Downtown New Haven CID	Yes	December 27, 2022
	East Main & Highway 47 CID	Yes	December 2, 2022
	Osage Commercial Area CID	Yes	December 20, 2022
	Scenic Regional Library District	Yes	December 27, 2022
	Sullivan SRD Franklin County	Yes	August 29, 2022
	Union CID	Yes	July 26, 2022
	Union SRD Franklin County	Yes	August 31, 2022
Gentry	Albany Community FPD	No	
	Stanberry Rural FPD	Yes	September 26, 2022
Greene	Airport Plaza CID	Yes	July 9, 2022
	Brentwood N/S CID	Yes	September 16, 2022
	College Station CID	Yes	October 10, 2022
	College Station TDD	Yes	October 10, 2022
	Commercial Street CID	Yes	July 14, 2022
	Convention & Entertainment CID	Yes	October 10, 2022
	Downtown Springfield CID	Yes	July 28, 2022
	East-West Arterial TDD	Yes	December 6, 2022
	Glenstone Marketplace CID	Yes	September 16, 2022
	James River Commons CID	No	
	Northwest Area CID	Yes	July 12, 2022
	Ridge at Ward Branch CID	Yes	September 1, 2022
	Ridge at Ward Branch TDD	Yes	September 1, 2022
	SGF Sports CID	Yes	December 12, 2022
	Springfield Plaza CID	Yes	October 13, 2022

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Greene	Springfield-Greene County PLD	Yes	December 9, 2022
Grundy	Grundy County NHD	No	
Harrison	East Fork of Big Creek Subdistrict	No	
	Panther Creek Watershed Subdistrict	No	
	West Fork of Big Creek Subdistrict	No	
Henry	Harry S. Truman PWSD 2 Henry County	Yes	December 14, 2022
	PWSD 4 Henry County	Yes	December 28, 2022
Holt	Forest City Levee District	No	
	Mound City Public Library District	Yes	September 9, 2022
	Mound City Rural FPD	Yes	August 29, 2022
	Oregon Public Library District	Yes	December 12, 2022
Howell	Mountain View-Summersville AD	Yes	September 21, 2022
Iron	Iron County Medical Center	Yes	December 27, 2022
Jackson	23rd & Sterling CID	Yes	August 9, 2022
	740 NW Blue Parkway CID	Yes	December 9, 2022
	Arrowhead CID	Yes	December 20, 2022
	Atherton Levee District	Yes	August 24, 2022
	Blue Parkway & Colbern Road CID	Yes	December 6, 2022
	Cedar Creek CID	Yes	December 9, 2022
	Chapel Ridge CID	Yes	December 12, 2022
	Crackerneck Center CID	No	
	Crackerneck Creek TDD	Yes	December 22, 2022
	Downtown Lee's Summit CID	Yes	December 28, 2022
	Englewood CID	Yes	December 29, 2022
	Hartman Heritage Center CID	Yes	September 14, 2022
	Highway 50 & Todd George CID	Yes	December 14, 2022
	I-470 & View High CID	Yes	December 28, 2022
	I-470 CID	Yes	December 22, 2022
	I-470 Western Gateway TDD	Yes	December 29, 2022
	Independence Events Center CID	Yes	December 22, 2022
	Independence Square CID	Yes	December 6, 2022
	Kansas City Public Library District	Yes	November 28, 2022
	Marketplace Shopping Center CID	Yes	December 28, 2022
	Mid Continent Library District	Yes	October 19, 2022
	New Longview CID	Yes	December 9, 2022
	Noland Fashion Square CID	Yes	August 31, 2022
	Noland Road CID	Yes	August 30, 2022
	Noland South Shopping Center CID	Yes	July 7, 2022
	Pine Tree CID	Yes	September 1, 2022
	PWSD 17 Jackson County	Yes	September 14, 2022
	Raintree 150 Center CID	Yes	August 31, 2022
	Southside Plaza CID	Yes	September 20, 2022
	Stone Canyon CID	No	
	Streets of West Pryor CID	Yes	December 29, 2022
	Streets of West Pryor TDD	Yes	December 29, 2022
	Summit Fair CID	Yes	December 28, 2022
	Summit Orchards CID	Yes	October 14, 2022

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Jackson	Susquehanna East Shopping Center CID	Yes	December 28, 2022
	Thirty-Ninth Street TDD	Yes	December 21, 2022
Jasper	Carthage Public Library District	Yes	November 10, 2022
	Carthage SRD Jasper County	No	
Jefferson	Joplin SRD Newton-Jasper County	Yes	December 2, 2022
	Hillsboro SRD Jefferson County	No	
	McNutt Road Corridor CID	Yes	December 20, 2022
	Peach Tree CID	Yes	October 11, 2022
	PWSD 1 Jefferson County	No	
Johnson	PWSD 10 Jefferson County	Yes	December 30, 2022
	Johnson County Community Health	No	
	South Fork of Blackwater WSD	No	
	Trails Consolidated PLD	Yes	November 4, 2022
Laclede	Elm Street Corridor CID	Yes	October 26, 2022
	Fountains CID	Yes	December 6, 2022
	Lebanon Marketplace CID	Yes	September 16, 2022
	Southdale Center CID	Yes	September 16, 2022
Lafayette	Concordia FPD	Yes	July 11, 2022
	Corder FPD	No	
	Little Sni A Bar WSD	Yes	September 8, 2022
	Tabo Creek Watershed Subdistrict	Yes	September 8, 2022
	Wellington Napoleon WSD	Yes	September 8, 2022
Lewis	Canton Public Library District	Yes	November 22, 2022
	Canton SRD Lewis County	Yes	September 2, 2022
	Dickerson SRD Lewis County	Yes	December 27, 2022
Lincoln	Lincoln County Health Department	Yes	December 30, 2022
	Lincoln Crossing CID	Yes	September 16, 2022
Linn	Brookfield Carnegie PLD	Yes	August 9, 2022
	East Yellow Creek WSD	Yes	August 29, 2022
	Linneus FPD	Yes	July 15, 2022
Livingston	Green Township FPD	Yes	December 31, 2022
Macon	Macon County NHD	No	
Marion	Hannibal Free Library District	Yes	December 7, 2022
Miller	Lake of the Ozarks Area SBD Miller County	Yes	December 28, 2022
	Osage National TDD	Yes	June 9, 2022
Mississippi	Levee District 3 Mississippi County	Yes	July 12, 2022
	Mississippi County Port Authority	No	
	St. Johns Levee & Drainage District	No	
Monroe	Madison SRD Monroe County	Yes	July 1, 2022
Montgomery	Tri County Levee District	Yes	October 4, 2022
	Wellsville FPD	No	
Morgan	Golden Age NHD 1	Yes	November 7, 2022
	Good Shepherd NHD	No	
New Madrid	Lake of the Ozarks Area SBD Morgan County	Yes	December 28, 2022
	Drainage District 28 New Madrid County	Yes	July 19, 2022
	New Madrid Clean Energy Development Board	No	
	New Madrid County PID	Yes	December 16, 2022

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
New Madrid	PWSD 1 New Madrid County	No	
Newton	Lost Creek Watershed Subdistrict	Yes	December 19, 2022
Nodaway	102 River Tributaries Subdistrict	Yes	July 25, 2022
	Barnard FPD	Yes	July 28, 2022
	Hoover Frankum WSD	Yes	July 25, 2022
	Mill Creek Watershed Subdistrict	Yes	July 25, 2022
	Mozingo Creek Watershed Subdistrict	Yes	July 25, 2022
	West Nodaway FPD	No	
Pemiscot	Caruthersville Library District	Yes	December 20, 2022
	Consolidated Drainage District 1	No	
	Consolidated Drainage District 3	Yes	December 29, 2022
	Hayti-Ventures CID	No	
	Steele Public Library District	Yes	August 17, 2022
Perry	Bois Brule Levee & Drainage District	Yes	August 3, 2022
Pettis	1705 Broadway CID	No	
	Boonslick Regional Library District	Yes	September 28, 2022
Phelps	Rolla Free Public Library District	Yes	October 20, 2022
Pike	Pike County Memorial Hospital	No	
Platte	Northmoor Associates CID	No	
	Riverside Gateway Crossing CID	No	
	Riverside Horizons CID	No	
	Riverside Red X CID	Yes	December 29, 2022
	Riverside-Quindaro Bend LD	Yes	December 15, 2022
	Tracy Highlands TDD	Yes	December 28, 2022
Pulaski	PWSD 3 Pulaski County	Yes	August 24, 2022
Putnam	Putnam County Memorial Hospital	No	
	PWSD 1 Putnam County	Yes	December 12, 2022
Ralls	Highway 61 CID	Yes	December 12, 2022
Randolph	Downtown Moberly CID	Yes	October 27, 2022
	Moberly Crossings CID	Yes	October 17, 2022
Ray	Lawson SRD Ray County	No	
	Ray County Ambulance District	No	
	Willow Creek Watershed Subdistrict	Yes	November 7, 2022
Ripley	Fourche Creek Watershed Subdistrict	Yes	December 7, 2022
	Little Black Watershed Subdistrict	Yes	December 7, 2022
Scotland	Middle Fabius River Subdistrict	Yes	July 18, 2022
	Scotland County Memorial Hospital	No	
	Scotland County NHD	No	
Scott	SEMO Regional Port Authority	Yes	December 21, 2022
	Sikeston FPD	Yes	August 31, 2022
Shelby	Clarence NHD	No	
	Clarence Public Library District	No	
	Shelbina Carnegie Library District	No	
St. Charles	Consolidated North County LD	Yes	November 9, 2022
	Hawk Ridge TDD	Yes	November 15, 2022
	Lakeside 370 Levee District	Yes	December 20, 2022
	South Ridge TDD	Yes	October 17, 2022



Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Charles	St. Charles City-County PLD	Yes	December 27, 2022
	Zumbehl Road/Highway 94 CID	Yes	October 17, 2022
St. Clair	Appleton City Library District	Yes	July 28, 2022
	St. Clair Co Hospital District 1	Yes	June 30, 2022
St. Louis	10700 Pear Tree Lane CID	Yes	September 23, 2022
	10700 Pear Tree Lane TDD	Yes	September 23, 2022
	10895 West Florissant CID	No	
	2019 Grand Center CID	Yes	December 30, 2022
	370/MO Bottom Road/Taussig Road CID	Yes	July 18, 2022
	4576 Woodson Road CID	Yes	November 30, 2022
	4576 Woodson Road TDD	Yes	November 30, 2022
	Arbors of Rockwood CID	Yes	December 20, 2022
	Berkeley-North Park CID	Yes	October 27, 2022
	Brentwood Boulevard/Clayton Rd CID	Yes	October 7, 2022
	Brentwood Boulevard/Clayton Rd TDD	Yes	October 6, 2022
	Cheshire CID	Yes	September 23, 2022
	Crossings at Richmond Heights CID	Yes	December 29, 2022
	Deer Creek Center CID	Yes	July 25, 2022
	Delmar/Delcrest CID	Yes	December 30, 2022
	Earth City Levee District	Yes	December 20, 2022
	Eureka Old Town TDD	Yes	September 16, 2022
	Eureka Pointe CID	Yes	September 7, 2022
	Ferguson Municipal Library District	Yes	August 23, 2022
	Fourth Street TDD	Yes	October 7, 2022
	Front Street CID	Yes	September 1, 2022
	Hadley Township South 2 CID	Yes	December 20, 2022
	Hazelwood Commerce Center CID	Yes	September 6, 2022
	Hazelwood Levee Subdistrict	Yes	December 20, 2022
	Hazelwood Powerplex CID	Yes	October 31, 2022
	Hilltop Village Center CID	Yes	September 16, 2022
	Howard Bend Levee District	Yes	December 20, 2022
	Kirkwood Public Library District	Yes	November 17, 2022
	Lind-Litz CID	Yes	December 20, 2022
	Lind-Litz TDD	Yes	December 20, 2022
	Maplewood Public Library District	Yes	November 28, 2022
	Metropolitan SwrD St. Louis	Yes	November 18, 2022
	Missouri Bottoms LD - Bridgeton LSD	No	
	Missouri Bottoms Levee District	Yes	December 20, 2022
	Monarch Chesterfield Levee District	Yes	December 20, 2022
	North County Festival/Square CID	Yes	December 29, 2022
	Northpark-Ferguson CID	Yes	October 27, 2022
	NP Kinloch CID	No	
	NP Kinloch CID II	Yes	October 27, 2022
	NP Kinloch CID III	Yes	October 27, 2022
	NP Kinloch CID IV	Yes	October 27, 2022
	OHM Woodson Terrace CID	Yes	December 8, 2022
	OHM Woodson Terrace TDD	Yes	December 8, 2022



Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis	Olive Boulevard TDD	No	
	Olivette Gateway CID	Yes	September 30, 2022
	Overland Plaza CID	Yes	October 26, 2022
	Residence Inn Downtown St. Louis CID	Yes	November 15, 2022
	Riverport Levee District	Yes	December 20, 2022
	Route 141/Marshall Road CID	No	
	St. Louis County Clean Energy Board	No	
	Sunnen Station CID	Yes	July 29, 2022
	The Markets at Olive CID	Yes	October 4, 2022
	Union Station CID	Yes	September 23, 2022
	Valley Park Community PLD	Yes	November 17, 2022
	Village Square CID	Yes	October 25, 2022
	Webster Groves Library District	No	
St. Louis City	1100 Washington Avenue CID	Yes	July 8, 2022
	1133 Washington Avenue CID	No	
	1201 Washington CID	Yes	July 8, 2022
	1225 Washington CID	Yes	October 31, 2022
	1225 Washington TDD	Yes	October 31, 2022
	14th & Market Street CID	Yes	September 1, 2022
	1601 S Jefferson CID	Yes	December 27, 2022
	1831/2000 Sidney Street CID	Yes	October 25, 2022
	1831/2000 Sidney Street TDD	Yes	October 25, 2022
	2017 Chouteau CID	Yes	October 25, 2022
	2118 Chouteau TDD	Yes	October 25, 2022
	212 South Grand CID	Yes	November 15, 2022
	212 South Grand TDD	Yes	November 15, 2022
	2350 South Grand CID	Yes	October 25, 2022
	4101 Laclede CID	Yes	September 23, 2022
	4350 South Kingshighway CID	Yes	October 27, 2022
	501 Olive CID	Yes	October 28, 2022
	501 Olive TDD	Yes	October 28, 2022
	60 Plaza Square CID	Yes	December 12, 2022
	620 Market CID	Yes	November 18, 2022
	705 Olive CID	Yes	September 1, 2022
	705 Olive TDD	Yes	September 1, 2022
	840 East Taylor CID	Yes	December 27, 2022
	Armory CID	Yes	December 27, 2022
	Ballpark Village CID	No	
	Ballpark Village TDD	No	
	Bevo CID	Yes	October 12, 2022
	Broadway Carrie TDD	Yes	December 23, 2022
	Broadway Hotel CID	Yes	September 23, 2022
	Carondelet Commons CID	Yes	December 27, 2022
	Carrie Avenue CID	Yes	December 27, 2022
	Cherokee Street CID	Yes	August 29, 2022
	Cheshire Annex CID	Yes	September 23, 2022
	Cheshire TDD	Yes	September 23, 2022

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis City	Chouteau Avenue Corridor CID	Yes	October 26, 2022
	Chouteau Crossing CID	Yes	December 27, 2022
	City Foundry CID	Yes	September 28, 2022
	City Foundry TDD	Yes	September 28, 2022
	City Hospital Laundry Building TDD	Yes	October 28, 2022
	City Hospital Powerhouse CID	Yes	October 28, 2022
	City Hospital Powerhouse TDD	Yes	October 28, 2022
	City Hospital RPA 2-Phase 1 CID	Yes	October 28, 2022
	Clarence Broadway CID	Yes	December 27, 2022
	Clean Energy Development Board	No	
	Cozens/MLK/Grand CID	Yes	December 20, 2022
	Crowne Plaza CID	No	
	Cupples Station Building 9 CID	Yes	October 27, 2022
	CWE Business CID	Yes	October 31, 2022
	Downtown St. Louis CID	No	
	Dutchtown CID	Yes	December 30, 2022
	EQH Market Street CID	Yes	December 27, 2022
	Euclid South CID	Yes	December 21, 2022
	Expanded Forsyth Associates CID	Yes	December 20, 2022
	Forest Park TOD CID	Yes	October 26, 2022
	Georgian Square CID	Yes	October 28, 2022
	Grand Center Area CID	Yes	December 26, 2022
	Grand Center Area Two CID	Yes	December 23, 2022
	Grove CID	Yes	December 21, 2022
	Hadley Dean Building CID	No	
	Laurel CID	No	
	Lighthouse St. Louis TDD	No	
	Loop East CID	No	
	Loughborough Commons CID	Yes	November 1, 2022
	Magnolia CID	Yes	October 26, 2022
	Magnolia TDD	Yes	October 26, 2022
	Newstead West CID	Yes	December 27, 2022
	North Broadway Carrie CID	Yes	December 14, 2022
	Northeast Hampton/I-44 CID	Yes	December 30, 2022
	Olive West CID	No	
	Park Pacific CID	Yes	October 24, 2022
	Railway Exchange Building CID	No	
	Railway Exchange Building TDD	No	
	Residence Inn Downtown St, Louis TDD	Yes	November 15, 2022
	Riverfront Hotel CID	No	
	Riverside CID	Yes	December 21, 2022
	Soccer Stadium CID	Yes	December 20, 2022
	Soccer Stadium TDD	Yes	December 20, 2022
	Soda Fountain Square CID	No	
	Soulard CID	Yes	November 4, 2022
	South Grand CID	Yes	November 28, 2022
	St. Louis Convention Center Hotel 3 CID	Yes	December 20, 2022

Appendix A  
Status of Political Subdivisions Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
St. Louis City	St. Louis Convention Center Hotel TDD	Yes	December 20, 2022
	Syndicate Trust CID	No	
	Tucker & Cass CID	Yes	September 1, 2022
	Union Station TDD	Yes	September 23, 2022
	Washington Avenue TDD	Yes	July 8, 2022
Ste. Genevieve	Levee District 2 Ste. Genevieve County	Yes	August 22, 2022
	Levee District 3 Ste. Genevieve County	No	
Stoddard	Common Sewer District 1 Stoddard County	Yes	September 28, 2022
	Drainage District 23 Stoddard County	Yes	December 19, 2022
	Drainage District 36 Stoddard County	Yes	December 19, 2022
	Drainage District 37 Stoddard County	Yes	December 19, 2022
	Drainage District 38 Stoddard County	Yes	December 19, 2022
	Drainage District 8 Stoddard County	Yes	December 19, 2022
	PWSD 1 Stoddard County	No	
Sullivan	PWSD 1 Sullivan County	Yes	November 17, 2022
Vernon	Nevada Public Library District	Yes	December 19, 2022
	Vernon County Ambulance District	Yes	July 21, 2022
Warren	Missouri Valley Levee District	Yes	July 25, 2022
	Shoppes at Warrenton CID	Yes	December 29, 2022
	Warrenton Commons CID	Yes	September 7, 2022
Webster	Webster County NHD	No	
Worth	East Fork of Grand River WSD	Yes	July 14, 2022
	PWSD 1 Worth County	Yes	October 26, 2022
	Sheridan FPD	Yes	November 10, 2022
	Worth County Convalescent Center District	Yes	December 9, 2022
Total Filed		319	
Total Not Filed		82	

Acronyms:

AD	Ambulance District
CID	Community Improvement District
DD	Drainage District
FPD	Fire Protection District
LD	Levee District
LSD	Levee and Sewer District
NHD	Nursing Home District
PID	Port Improvement District
PLD	Public Library District
PWSD	Public Water Supply District
SBD	Special Business District
SRD	Special Road District
SwrD	Sewer District
TOD	Transit Oriented Development
TDD	Transportation Development District
WSD	Watershed District

## Appendix B

### Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due June 30, 2022

Filed in December 2022

Fiscal Year Ended December 31, 2021

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Barry	Butterfield FPD	Yes	December 8, 2022
Cooper	Blackwater Volunteer Rural FPD	Yes	December 6, 2022
Holt	S Union Twsp Independent SRD Holt County	Yes	December 3, 2022
Jefferson	PWSD 2 Jefferson County	Yes	December 5, 2022
Maries	Belle SRD 6 Maries-Osage County	Yes	December 7, 2022
Putnam	Putnam County Ambulance District	Yes	December 13, 2022
Ray	Levee District 5 Ray County	Yes	December 30, 2022
St. Clair	Sac Osage FPD	Yes	December 8, 2022
Stoddard	Stoddard County Ambulance District	Yes	December 29, 2022
Total Filed		9	

#### Acronyms:

FPD	Fire Protection District
PWSD	Public Water Supply District
SRD	Special Road District

Appendix C

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due October 31, 2022

Filed in December 2022

Fiscal Year Ended April 30, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Clay	Villages CID	Yes	December 14, 2022
Jackson	Grand Reserve CID	Yes	December 5, 2022
Jasper	Briarbrook CID	Yes	December 9, 2022
Total Filed		3	

Acronyms:

CID                      Community Improvement District

Appendix D

Status of Political Subdivisions Required to File Annual Financial Reports

Reports Due November 30, 2022

Filed in December 2022

Fiscal Year Ended May 31, 2022

Primary County	Reporting Entity	Filed Annual Financial Report	Date Filed
Caldwell	PWSD 3 Caldwell County	Yes	December 1, 2022
Total Filed		1	

Acronyms:

PWSD          Public Water Supply District



# Scott Fitzpatrick

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Missouri State Auditor

Monthly Report on Municipal Court  
and Revenue Filings  
December 2022

Report No. 2023-002

February 2023

[auditor.mo.gov](http://auditor.mo.gov)

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# Monthly Report on Municipal Court and Revenue Filings

## December 2022

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Members of the General Assembly  
Jefferson City, Missouri

The primary objective of this compilation is to report the filing status for the municipalities required to file a financial report by December 31, 2022, under Section 105.145, RSMo, and 15 CSR 40-3.030, and, when applicable, an addendum under Section 479.359, RSMo, and 15 CSR 40-3.170 and a municipal court certification under Section 479.360, RSMo, and 15 CSR 40-3.180.

Section 105.145, RSMo, provides that the State Auditor's Office (SAO) shall notify the Department of Revenue if any city, town, or village fails to timely submit a copy of its annual financial report. Additionally, Section 479.362, RSMo, provides that the SAO shall notify the Department of Revenue whether counties, cities, towns, and villages have timely filed under Sections 479.359 and 479.360, RSMo. Because of different filing requirements, a separate report is issued for all other political subdivisions required to file a financial report.

The filing status for the 260 cities, 5 towns, and 63 villages is presented in summary on page 4 and by individual entity in Appendix A. This compilation is limited to presenting information submitted to our office. We have not audited the information submitted and, accordingly, do not express an opinion or any other form of assurance on it.

This report includes the updated filing status for municipalities that filed at least one of the items (financial report, addendum, or certification) in December 2022, after their filing deadline. The filing status for these 11 cities and 3 villages is presented in summary on page 4 and by individual entity in Appendixes B to E.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Monthly Report on Municipal Court and Revenue Filings

## December 2022

### Executive Summary

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#### **Executive Summary**

Section 105.145, RSMo, requires the governing body of each political subdivision, except counties and school districts, in the state to prepare and remit to the state auditor an annual report of financial transactions. 15 CSR 40-3.030 requires the financial report to be remitted to the state auditor within 6 months of the end of the political subdivision's fiscal year. The State Auditor's Office (SAO) posts individual annual financial reports to its website. A searchable link is available at <http://auditor.mo.gov>.

Section 105.145, RSMo, requires the state auditor to notify the Department of Revenue if any political subdivision fails to timely submit a copy of its annual financial report. Any political subdivision that fails to timely submit the annual financial report shall be subject to a fine of \$500 per day upon notice by the Department of Revenue, except that effective August 28, 2022, any political subdivision with gross revenues less than \$5,000 or that has not levied or collected taxes in the fiscal year of the annual financial report is not subject to the fine.<sup>1</sup>

Section 479.359.1, RSMo, requires every county, city, town, and village to annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations.

Section 479.359.3, RSMo, provides that all entities having a municipal court file an addendum to the annual financial report containing items listed in 15 CSR 40-3.170, which also provides the procedures to file an addendum.

Section 479.360, RSMo, requires every county, city, town, and village that has a municipal court to file, with its annual financial report, a certification of substantial compliance with 10 municipal court procedures. This certification must be signed by the municipal court judge. 15 CSR 40-3.180 provides the procedure to file the municipal court certification. Any county, city, town, or village that does not have a municipal court judge is not required to file a certification.

Section 479.362, RSMo, requires that the SAO notify the Department of Revenue whether counties, cities, towns, or villages have timely filed their addendums under Section 479.359 and certificates of substantial compliance under Section 479.360, RSMo. Section 479.368, RSMo, provides penalties for counties, cities, towns, and villages that fail to file, including loss of revenue and mandatory ballot measure to dissolve the political subdivision.

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<sup>1</sup> Prior to August 28, 2022, only transportation development districts with gross revenues less than \$5,000 in the fiscal year of the annual financial report were not subject to the fine.



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Monthly Report on Municipal Court and Revenue Filings  
December 2022  
Executive Summary

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This report includes the filing status for the 260 cities, 5 towns, and 63 villages with a fiscal year end of June 30, 2022, whose financial report was due by December 31, 2022. Of the 328 municipalities, 236 filed the financial report timely. Of the 229 municipalities required to file an addendum, 130 filed timely. Of the 103 municipalities required to file a certification, 65 filed timely.

This report includes the filing status for 11 cities and 3 villages that filed at least one of the items (financial report, addendum, or certification) in December 2022, after their filing deadline. Of these municipalities, 8 filed an annual financial report, 4 filed an addendum, and 4 filed a certification.

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Adair	City of Novinger	No		No	N/A
Andrew	City of Amazonia	Yes	December 3, 2022	N/A	N/A
Atchison	City of Westboro	No		N/A	N/A
Audrain	City of Laddonia	No		No	N/A
	Village of Vandiver	Yes	July 5, 2022	No	N/A
Barry	City of Purdy	No		No	N/A
	City of Washburn	No		Yes	N/A
Barton	City of Lamar	Yes	November 3, 2022	Yes	N/A
	City of Mindenmines	Yes	December 27, 2022	N/A	N/A
	Village of Milford	Yes	September 21, 2022	N/A	N/A
Bates	City of Adrian	Yes	December 29, 2022	Yes	N/A
	City of Amsterdam	Yes	July 15, 2022	N/A	N/A
Bollinger	City of Marble Hill	Yes	December 19, 2022	No	N/A
Boone	City of Hallsville	Yes	December 27, 2022	Yes	N/A
	City of Rocheport	Yes	December 26, 2022	N/A	N/A
	City of Sturgeon	Yes	July 29, 2022	No	N/A
	Town of Huntsdale	Yes	November 15, 2022	N/A	N/A
	Village of Hartsburg	Yes	December 28, 2022	N/A	N/A
Buchanan	City of St. Joseph	No		Yes	Yes
Butler	City of Fisk	No		No	N/A
	City of Qulin	Yes	November 30, 2022	Yes	N/A
Caldwell	City of Braymer	Yes	September 15, 2022	Yes	N/A
	City of Breckenridge	Yes	July 13, 2022	Yes	N/A
	City of Cowgill	No		Yes	N/A
	City of Hamilton	No		No	N/A
Callaway	Village of Kingdom City	Yes	October 5, 2022	N/A	N/A
Camden	City of Linn Creek	Yes	December 27, 2022	Yes	N/A
	City of Stoutland	Yes	July 12, 2022	N/A	N/A
Cape Girardeau	City of Cape Girardeau	No		Yes	Yes
	City of Delta	Yes	December 28, 2022	No	N/A
	Village of Oak Ridge	No		N/A	N/A
	Village of Whitewater	No		No	N/A
Carroll	City of Bogard	Yes	December 11, 2022	Yes	N/A
	City of De Witt	Yes	September 21, 2022	N/A	N/A
Carter	City of Ellsinore	No		No	N/A
Cass	City of Archie	No		No	N/A
	City of Cleveland	No		No	N/A
	City of Creighton	Yes	August 16, 2022	No	N/A
	City of Freeman	No		No	N/A
	City of Garden City	Yes	December 6, 2022	Yes	N/A
	City of Lake Annette	No		No	N/A
	Village of Baldwin Park	No		N/A	N/A
	Village of Loch Lloyd	No		N/A	N/A
	Village of Jerico Springs	No		No	N/A
Cedar	City of Brunswick	Yes	August 20, 2022	No	N/A
Chariton	City of Keytesville	Yes	July 20, 2022	Yes	N/A
	City of Salisbury	Yes	December 2, 2022	Yes	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Chariton	Village of Dalton	No		N/A	N/A
Christian	City of Clever	Yes	October 17, 2022	Yes	Yes
	City of Highlandville	Yes	December 27, 2022	Yes	N/A
	City of Sparta	Yes	September 7, 2022	Yes	N/A
Clark	City of Alexandria	No		N/A	N/A
	City of Wayland	Yes	July 25, 2022	N/A	N/A
Clay	City of Gladstone	Yes	December 27, 2022	Yes	Yes
	Village of Birmingham	Yes	December 1, 2022	Yes	N/A
Clinton	City of Gower	Yes	December 31, 2022	No	No
	City of Lathrop	Yes	December 27, 2022	Yes	No
	City of Plattsburg	No		No	No
Cole	City of St. Thomas	Yes	October 30, 2022	N/A	N/A
	City of Taos	No		No	N/A
Cooper	City of Bunceton	No		No	N/A
	City of Prairie Home	Yes	December 20, 2022	Yes	N/A
	Village of Wooldridge	Yes	October 14, 2022	N/A	N/A
Crawford	City of Bourbon	Yes	December 31, 2022	No	N/A
	City of Cuba	No		No	No
	City of Steelville	Yes	December 30, 2022	Yes	N/A
	Village of St. Cloud	No		N/A	N/A
Dade	City of Everton	Yes	December 12, 2022	Yes	N/A
	City of Greenfield	Yes	September 21, 2022	No	No
	City of Lockwood	No		No	N/A
Dallas	City of Urbana	Yes	December 13, 2022	Yes	No
	Village of Louisburg	Yes	July 5, 2022	N/A	N/A
Davieess	City of Coffey	Yes	July 27, 2022	N/A	N/A
	City of Jamesport	Yes	December 13, 2022	Yes	N/A
	City of Pattonsburg	Yes	July 20, 2022	No	N/A
	Village of Altamont	No		No	N/A
DeKalb	City of Clarksdale	No		Yes	N/A
	City of Maysville	No		No	N/A
	Village of Amity	Yes	December 30, 2022	N/A	N/A
	Village of Weatherby	Yes	December 21, 2022	N/A	N/A
Dent	City of Salem	Yes	November 29, 2022	Yes	N/A
Douglas	City of Ava	Yes	December 21, 2022	No	N/A
Dunklin	City of Arbyrd	Yes	August 19, 2022	Yes	Yes
	City of Campbell	No		No	No
	City of Clarkton	No		No	Yes
	City of Holcomb	Yes	November 30, 2022	Yes	N/A
	City of Kennett	Yes	December 12, 2022	Yes	N/A
	City of Malden	Yes	November 17, 2022	Yes	Yes
	City of Senath	Yes	October 27, 2022	Yes	Yes
	City of Berger	Yes	July 18, 2022	No	N/A
	City of New Haven	Yes	December 30, 2022	Yes	Yes
	City of Pacific	No		No	No
	City of Union	Yes	September 20, 2022	No	Yes
	Village of Parkway	Yes	December 5, 2022	N/A	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Gasconade	City of Bland	No		Yes	Yes
	City of Gasconade	Yes	December 9, 2022	No	N/A
	City of Hermann	Yes	December 23, 2022	Yes	N/A
	City of Morrison	Yes	August 31, 2022	N/A	N/A
	City of Owensville	Yes	December 30, 2022	Yes	N/A
	City of Rosebud	Yes	December 29, 2022	No	N/A
Gentry	City of Albany	No		No	N/A
	City of King City	No		No	N/A
	Village of Darlington	Yes	September 15, 2022	N/A	N/A
Greene	City of Ash Grove	Yes	September 20, 2022	No	No
	City of Battlefield	Yes	October 19, 2022	No	No
	City of Fair Grove	Yes	October 25, 2022	Yes	Yes
	City of Springfield	Yes	December 14, 2022	Yes	Yes
Grundy	City of Galt	No		N/A	N/A
	Village of Brimson	No		N/A	N/A
Harrison	Village of Mount Moriah	No		N/A	N/A
Henry	Village of Brownington	Yes	August 29, 2022	N/A	N/A
Hickory	City of Hermitage	Yes	October 27, 2022	N/A	N/A
	City of Weaubleau	Yes	October 24, 2022	N/A	N/A
	City of Wheatland	Yes	December 13, 2022	N/A	N/A
Holt	City of Craig	No		No	N/A
	City of Mound City	Yes	December 15, 2022	Yes	N/A
	Village of Big Lake	Yes	November 7, 2022	Yes	N/A
	Village of Bigelow	Yes	December 28, 2022	N/A	N/A
Howard	City of Fayette	Yes	December 22, 2022	Yes	N/A
	City of Franklin	Yes	December 7, 2022	N/A	N/A
	City of Glasgow	Yes	December 7, 2022	No	N/A
	City of New Franklin	Yes	November 16, 2022	Yes	N/A
Howell	City of Mountain View	Yes	December 27, 2022	Yes	Yes
Iron	City of Arcadia	Yes	November 28, 2022	Yes	N/A
	City of Ironton	No		No	N/A
	City of Pilot Knob	Yes	July 22, 2022	Yes	N/A
	City of Viburnum	Yes	July 19, 2022	Yes	N/A
Jackson	City of Greenwood	Yes	November 7, 2022	Yes	Yes
	City of Independence	Yes	December 22, 2022	Yes	Yes
	City of Lake Tapawingo	Yes	December 2, 2022	Yes	N/A
	City of Lee's Summit	Yes	December 21, 2022	Yes	Yes
Jasper	City of Lone Jack	Yes	December 9, 2022	Yes	N/A
	City of Alba	Yes	December 27, 2022	N/A	N/A
	City of Carthage	Yes	December 27, 2022	No	No
	City of La Russell	Yes	August 8, 2022	N/A	N/A
	City of Neck City	Yes	July 13, 2022	N/A	N/A
	City of Oronogo	Yes	November 15, 2022	Yes	Yes
	City of Waco	Yes	December 30, 2022	N/A	N/A
Jefferson	Town of Brooklyn Heights	Yes	December 11, 2022	N/A	N/A
	City of Byrnes Mill	No		Yes	Yes
	City of Herculaneum	No		No	No

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Jefferson	City of Hillsboro	Yes	July 28, 2022	Yes	N/A
	City of Olympian Village	Yes	September 16, 2022	N/A	N/A
Johnson	City of Holden	No		No	N/A
Knox	City of Hurdland	No		N/A	N/A
Laclede	City of Lebanon	Yes	December 28, 2022	Yes	Yes
	Village of Evergreen	No		N/A	N/A
Lafayette	City of Corder	Yes	July 22, 2022	Yes	N/A
	City of Waverly	Yes	October 7, 2022	Yes	N/A
	City of Wellington	Yes	December 13, 2022	No	N/A
	Village of Aullville	No		N/A	N/A
Lawrence	City of Miller	Yes	November 8, 2022	No	N/A
Lewis	City of Canton	No		No	No
	City of Ewing	Yes	December 2, 2022	N/A	N/A
	City of Lewistown	Yes	September 29, 2022	N/A	N/A
	Village of Monticello	Yes	December 20, 2022	N/A	N/A
Lincoln	City of Troy	Yes	December 29, 2022	Yes	Yes
Livingston	City of Chula	No		N/A	N/A
	Village of Mooresville	Yes	October 19, 2022	N/A	N/A
Macon	City of Bevier	No		N/A	N/A
	City of Callao	Yes	December 27, 2022	Yes	N/A
	City of La Plata	Yes	December 28, 2022	Yes	N/A
Madison	Village of Cobalt City	Yes	December 29, 2022	N/A	N/A
Maries	City of Belle	Yes	November 1, 2022	Yes	Yes
	City of Vienna	No		No	N/A
Marion	City of Hannibal	No		No	Yes
Mercer	City of Mercer	No		No	N/A
Miller	City of Bagnell	Yes	December 21, 2022	N/A	N/A
	Village of Brumley	No		N/A	N/A
Mississippi	City of Bertrand	Yes	August 2, 2022	No	No
	Village of Wilson City	No		N/A	N/A
Moniteau	City of Clarksburg	Yes	July 25, 2022	Yes	N/A
Monroe	City of Madison	Yes	November 22, 2022	Yes	N/A
Montgomery	City of Middletown	No		No	N/A
	City of Montgomery	Yes	September 9, 2022	Yes	N/A
	City of New Florence	Yes	December 19, 2022	Yes	Yes
Morgan	City of Stover	Yes	December 22, 2022	Yes	N/A
	Town of Gravois Mills	Yes	December 16, 2022	N/A	N/A
New Madrid	City of Gideon	Yes	August 8, 2022	No	Yes
	City of Howardville	No		No	No
	City of Lilbourn	Yes	December 28, 2022	Yes	N/A
	City of Parma	Yes	October 20, 2022	No	N/A
Newton	Village of Catron	Yes	December 31, 2022	No	N/A
	Village of North Lilbourn	Yes	August 1, 2022	N/A	N/A
	City of Diamond	Yes	November 10, 2022	Yes	Yes
	City of Granby	Yes	November 8, 2022	No	No
	Village of Dennis Acres	Yes	July 25, 2022	N/A	N/A
	Village of Saginaw	No		N/A	N/A



Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Newton	Village of Stark City	Yes	October 19, 2022	N/A	N/A
	Village of Stella	Yes	July 13, 2022	N/A	N/A
Nodaway	City of Arkoe	Yes	September 19, 2022	N/A	N/A
	City of Barnard	No		No	N/A
	City of Burlington Junction	Yes	December 29, 2022	No	N/A
	City of Elmo	Yes	July 12, 2022	Yes	N/A
	City of Skidmore	Yes	December 30, 2022	Yes	N/A
Oregon	City of Alton	Yes	December 29, 2022	No	N/A
	City of Koshkonong	Yes	August 8, 2022	Yes	N/A
	City of Thayer	No		No	Yes
Osage	City of Chamois	Yes	November 1, 2022	N/A	N/A
	City of Meta	Yes	November 16, 2022	N/A	N/A
Ozark	Village of Bakersfield	Yes	August 30, 2022	N/A	N/A
Pemiscot	City of Caruthersville	No		Yes	Yes
	City of Hayti	Yes	September 14, 2022	Yes	Yes
	City of Hayti Heights	Yes	July 19, 2022	N/A	N/A
	City of Steele	Yes	December 5, 2022	No	No
	Town of Cooter	Yes	November 18, 2022	No	No
Perry	City of Altenburg	Yes	August 13, 2022	N/A	N/A
	City of Frohna	Yes	September 12, 2022	N/A	N/A
Pettis	City of Green Ridge	Yes	December 30, 2022	Yes	N/A
	City of Smithton	Yes	December 28, 2022	No	N/A
Phelps	City of Doolittle	No		No	N/A
	City of Newburg	Yes	November 1, 2022	No	N/A
Pike	City of Clarksville	Yes	December 29, 2022	Yes	N/A
	City of Frankford	Yes	August 9, 2022	No	N/A
Platte	City of Houston Lake	Yes	December 31, 2022	Yes	N/A
	City of Northmoor	Yes	September 20, 2022	Yes	Yes
	City of Riverside	Yes	December 19, 2022	Yes	Yes
Polk	City of Morrisville	No		N/A	N/A
	Village of Aldrich	Yes	December 30, 2022	N/A	N/A
	Village of Flemington	No		N/A	N/A
Pulaski	City of Crocker	Yes	December 27, 2022	Yes	N/A
Putnam	Village of Livonia	Yes	September 26, 2022	N/A	N/A
	Village of Lucerne	No		N/A	N/A
Ralls	City of New London	No		No	N/A
	Village of Rensselaer	No		N/A	N/A
Randolph	City of Clark	Yes	December 16, 2022	No	N/A
	City of Clifton Hill	Yes	July 15, 2022	N/A	N/A
	City of Huntsville	Yes	December 27, 2022	No	N/A
	City of Moberly	Yes	December 22, 2022	Yes	N/A
	Village of Jacksonville	Yes	September 6, 2022	N/A	N/A
Ray	Village of Renick	Yes	September 27, 2022	N/A	N/A
	City of Lawson	Yes	December 30, 2022	No	No
	City of Wood Heights	Yes	July 27, 2022	No	N/A
	Village of Elmira	Yes	July 27, 2022	N/A	N/A



Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
Reynolds	City of Bunker	Yes	December 30, 2022	Yes	N/A
	City of Ellington	No		No	N/A
Ripley	City of Doniphan	Yes	December 29, 2022	No	N/A
Saline	City of Nelson	Yes	November 23, 2022	N/A	N/A
	Village of Grand Pass	Yes	August 19, 2022	N/A	N/A
Scotland	City of South Gorin	No		N/A	N/A
	Village of Granger	No		N/A	N/A
	Village of Rutledge	No		N/A	N/A
Scott	City of Benton	Yes	December 16, 2022	No	N/A
	City of Blodgett	No		N/A	N/A
	City of Scott City	No		Yes	Yes
	City of Sikeston	No		Yes	Yes
	Village of Commerce	Yes	July 28, 2022	N/A	N/A
	Village of Diehlstadt	No		N/A	N/A
	Village of Lambert	Yes	September 29, 2022	N/A	N/A
	Village of Vanduser	Yes	July 29, 2022	N/A	N/A
Shelby	City of Clarence	No		No	No
	City of Shelbyna	No		No	Yes
	Village of Leonard	Yes	November 14, 2022	N/A	N/A
St. Charles	City of Lake St. Louis	Yes	December 20, 2022	Yes	Yes
St. Clair	City of Lowry City	Yes	September 20, 2022	Yes	N/A
	Village of Gerster	No		N/A	N/A
St. Francois	City of Bismarck	No		No	No
	City of Desloge	Yes	December 28, 2022	Yes	Yes
	City of Leadington	Yes	December 15, 2022	Yes	N/A
St. Louis	City of Bella Villa	Yes	December 28, 2022	Yes	No
	City of Bellefontaine Neighbor	No		No	Yes
	City of Berkeley	No		No	No
	City of Black Jack	Yes	December 16, 2022	No	No
	City of Calverton Park	Yes	December 28, 2022	Yes	Yes
	City of Charlack	Yes	December 19, 2022	No	Yes
	City of Clarkson Valley	Yes	September 20, 2022	Yes	Yes
	City of Country Club Hills	No		No	No
	City of Creve Coeur	Yes	December 16, 2022	Yes	Yes
	City of Edmundson	Yes	December 27, 2022	Yes	Yes
	City of Eureka	Yes	December 22, 2022	Yes	Yes
	City of Ferguson	Yes	December 28, 2022	Yes	Yes
	City of Frontenac	No		No	No
	City of Glendale	Yes	December 2, 2022	Yes	No
	City of Hazelwood	Yes	December 29, 2022	Yes	Yes
	City of Kinloch	Yes	December 19, 2022	Yes	N/A
	City of Maplewood	Yes	December 29, 2022	Yes	Yes
	City of Oakland	Yes	November 28, 2022	No	No
	City of Olivette	Yes	December 21, 2022	Yes	Yes
	City of Overland	Yes	November 23, 2022	Yes	Yes
	City of Pine Lawn	Yes	December 26, 2022	Yes	Yes

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022  
Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual		Filed Addendum	Filed Certification
		Financial Report	Date Financial Report Filed		
St. Louis	City of Richmond Heights	Yes	December 27, 2022	Yes	Yes
	City of University City	Yes	December 30, 2022	Yes	Yes
	City of Valley Park	No		Yes	Yes
	City of Velda City	Yes	December 27, 2022	Yes	No
	City of Vinita Park	Yes	November 1, 2022	No	Yes
	City of Warson Woods	Yes	October 19, 2022	Yes	No
	City of Webster Groves	Yes	December 30, 2022	Yes	Yes
	City of Wellston	Yes	December 28, 2022	Yes	Yes
	City of Winchester	Yes	December 20, 2022	Yes	Yes
	City of Woodson Terrace	Yes	September 26, 2022	Yes	Yes
	Town of Grantwood Village	No		No	No
	Village of Hanley Hills	Yes	October 11, 2022	Yes	Yes
	Village of Norwood Court	No		N/A	N/A
St. Louis City Stoddard	City of St. Louis City	Yes	December 30, 2022	No	Yes
	City of Bell City	Yes	July 27, 2022	Yes	N/A
	City of Bernie	Yes	July 14, 2022	No	No
	City of Bloomfield	Yes	November 18, 2022	Yes	Yes
	City of Dexter	Yes	August 12, 2022	Yes	Yes
	City of Dudley	Yes	December 30, 2022	N/A	N/A
	City of Essex	Yes	July 22, 2022	Yes	N/A
	City of Puxico	Yes	December 15, 2022	Yes	N/A
Stone	City of Crane	Yes	December 28, 2022	Yes	Yes
	City of Hurley	Yes	October 13, 2022	N/A	N/A
	Village of Blue Eye	Yes	July 17, 2022	N/A	N/A
	Village of Coney Island	Yes	December 13, 2022	N/A	N/A
	Village of McCord Bend	No		N/A	N/A
Sullivan Taney	City of Milan	Yes	December 6, 2022	No	N/A
	City of Rockaway Beach	Yes	December 28, 2022	Yes	N/A
	Village of Bull Creek	Yes	October 5, 2022	N/A	N/A
Texas	City of Cabool	Yes	December 20, 2022	No	Yes
	City of Summersville	Yes	December 19, 2022	Yes	N/A
Vernon	City of Walker	Yes	October 17, 2022	Yes	N/A
Warren	City of Marthasville	Yes	November 22, 2022	Yes	N/A
	City of Truesdale	Yes	December 30, 2022	Yes	N/A
	City of Warrenton	No		No	No
Washington	Village of Innsbrook	Yes	September 27, 2022	Yes	N/A
	City of Irondale	No		No	No
	City of Potosi	Yes	December 27, 2022	Yes	Yes
Wayne	City of Greenville	Yes	August 10, 2022	Yes	N/A
	City of Piedmont	Yes	December 14, 2022	No	No
Webster	City of Williamsville	Yes	November 28, 2022	Yes	N/A
	City of Fordland	Yes	September 29, 2022	Yes	Yes
	City of Rogersville	Yes	December 20, 2022	Yes	No
	City of Seymour	Yes	November 8, 2022	Yes	No
	Village of Diggins	No		N/A	N/A

Appendix A  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due December 31, 2022

Fiscal Year Ended June 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Wright	City of Hartville	No		No	N/A
	City of Mountain Grove	Yes	December 20, 2022	No	No
	City of Norwood	Yes	September 7, 2022	N/A	N/A
Total Filed		236		130	65
Total Not Filed		92		99	38
Total N/A		0		99	225

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix B  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due June 30, 2022  
Filed in December 2022

Fiscal Year Ended December 31, 2021

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Platte	City of Dearborn	Yes	December 8, 2022	Yes	N/A
St. Francois	City of Iron Mountain Lake	***	July 25, 2022	Yes	N/A
Texas	City of Houston	**	June 30, 2022	**	Yes
Total Filed		1		2	1

\*\* Filed by June 30, 2022.

\*\*\* Filed after June 30, 2022, but before December 2022.

N/A Entities without a municipal judge are not required to file a certification.

Appendix C  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due September 30, 2022  
Filed in December 2022

Fiscal Year Ended March 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Clinton	Village of Grayson	Yes	December 6, 2022	N/A	N/A
Jefferson	City of Crystal City	***	October 19, 2022	Yes	Yes
Ray	City of Hardin	Yes	December 28, 2022	***	No
Shelby	Village of Bethel	Yes	December 18, 2022	N/A	N/A
St. Louis	City of Jennings	Yes	December 6, 2022	**	**
	Village of Sycamore Hills	**	September 29, 2022	**	Yes
Wright	City of Mansfield	**	September 27, 2022	**	Yes
Total Filed		4		1	3

\*\* Filed by September 30, 2022.

\*\*\* Filed after September 30, 2022, but before December 2022.

N/A Entities that do not have a municipal division are not required to file an addendum and entities without a municipal judge are not required to file a certification.

Appendix D  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due October 31, 2022  
Filed in December 2022

Fiscal Year Ended April 30, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Dunklin	City of Hornersville	Yes	December 7, 2022	No	N/A
Jasper	City of Carl Junction	Yes	December 6, 2022	No	No
Mercer	City of Princeton	Yes	December 9, 2022	No	N/A
Total Filed		3		0	0

N/A Entities without a municipal judge are not required to file a certification.

Appendix E  
Status of Cities, Towns, and Villages Required to File Annual Financial Reports  
Reports Due November 30, 2022  
Filed in December 2022

Fiscal Year Ended May 31, 2022

County	Reporting Entity	Filed Annual Financial Report	Date Financial Report Filed	Filed Addendum	Filed Certification
Pike	City of Louisiana	**	November 30, 2022	Yes	N/A
Total Filed		0		1	0

\*\* Filed by November 30, 2022.

N/A Entities without a municipal judge are not required to file a certification.



# Scott Fitzpatrick

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Missouri State Auditor

## Statewide Accounting System Internal Controls

Report No. 2023-001

February 2023

[auditor.mo.gov](http://auditor.mo.gov)





# CITIZENS SUMMARY

## Findings in the audit of the Statewide Accounting System Internal Controls

User Account Management	The Statewide Advantage for Missouri (SAM II) and MissouriBUYS systems are vulnerable to the risk of unauthorized or inappropriate transactions being processed because user accounts of terminated employees are not always removed timely. OA management has not fully corrected a weakness in the SAM II Financial system security settings that allows users to create a transaction and then apply approval to the same transaction without review or additional approval from another party.
Security Administration	OA management does not require supervisory review of system-logged user actions performed by the SAM II central security administrator, resulting in increased risk of unauthorized activities.
Policies and Procedures	OA management has not fully established policies and procedures to segregate programmer access to the SAM II system software libraries, including the production environment, or to ensure software libraries are fully protected from unauthorized changes. OA management has not fully developed a policy for reversing changes in the event of unforeseen complications in the implementation process. OA management has not documented specific responsibilities for oversight and maintenance of the SAM II contingency plans.

In the areas audited, the overall performance of this entity was **Fair**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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# Statewide Accounting System Internal Controls

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Honorable Michael L. Parson, Governor  
and  
Kenneth J. Zellers, Commissioner  
Office of Administration  
Jefferson City, Missouri

We have audited certain internal controls, including security controls, designed to protect data and information maintained by the Statewide Advantage for Missouri (SAM II) system. This audit was conducted in fulfillment of our duties under Chapter 29, RSMo. The objectives of our audit were to:

1. Evaluate the system's internal controls over significant management operations and financial functions, including the effectiveness of information security controls for protecting the confidentiality, integrity, and availability of significant systems and information.
2. Evaluate compliance with certain legal provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

For the areas audited, we identified (1) deficiencies in internal controls, and (2) no significant noncompliance with legal provisions.

The accompanying Management Advisory Report presents our findings arising from our audit of the SAM II system.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

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# Statewide Accounting System Internal Controls

## Introduction

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### Background

The state of Missouri processed approximately \$53.7 billion of revenue and \$47.0 billion of expenditure and transfer transactions during state fiscal year 2022. These transactions were processed to support the operations of 25 separate state legislative, judicial, and executive entities. The system of record for these transactions is the Statewide Advantage for Missouri (SAM II) system. The SAM II system is supported by several other interfaced systems, including the MissouriBUYS eProcurement solution.

According to the National Institute of Standards and Technology (NIST),<sup>1</sup> security controls are the safeguards or countermeasures employed within a system or an organization to protect the confidentiality, integrity, and availability of the system and its information and to manage information security risk. Confidentiality refers to preserving authorized restrictions on information access and disclosure, including the means for protecting personal privacy and proprietary information. Integrity relates to guarding against improper information modification or destruction, and availability ensures timely and reliable access to and use of information. Effective privacy controls depend on the safeguards employed within the information system that is processing, storing, and transmitting personally identifiable information (PII) and the environment in which the system operates. Organizations cannot have effective privacy without a basic foundation of information security. Without proper safeguards and controls, information systems and confidential data are vulnerable to individuals with malicious intentions who can use access to obtain sensitive data or disrupt operations.

The NIST defines cybersecurity as the process of protecting information by preventing, detecting, and responding to attacks<sup>2</sup> while ISACA states cybersecurity encompasses all that protects enterprises and individuals from intentional attacks, breaches, and incidents as well as the consequences.<sup>3</sup> Cybersecurity should be aligned with all other aspects of information security, including governance, management, and assurance. The state of being secure requires maintenance and continuous improvement to meet the needs of stakeholders and the demands of emerging cyber threats.

### SAM II

The SAM II system is the state's integrated financial and human resource management system, providing accounting, budgeting, procurement, inventory, and payroll and personnel capabilities for state departments and

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<sup>1</sup> NIST, Special Publication 800-53 Revision 5, *Security and Privacy Controls for Information Systems and Organizations*, p. 1, 396, 398, and 406, <<https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r5.pdf>>, accessed October 17, 2022.

<sup>2</sup> NIST, *Framework for Improving Critical Infrastructure Cybersecurity*, Version 1.1, April 2018, p. 45, <<https://nvlpubs.nist.gov/nistpubs/CSWP/NIST.CSWP.04162018.pdf>>, accessed October 17, 2022.

<sup>3</sup> ISACA, *Transforming Cybersecurity*, 2013, p. 11.



## Statewide Accounting System Internal Controls Introduction

agencies. The SAM II system processes revenue, expenditure, payroll, transfer, and adjusting transactions.

Our audit work on the SAM II system focused on two primary components, the SAM II Financial system and the SAM II Human Resources (HR) system. The Financial system, used for purchasing, payment, and revenue processing, was implemented in July 1999. The HR system, used to maintain and process employment and payroll information, was implemented in phases between November 2000 and June 2001. Users are granted access rights to these systems to process transactions or to have inquiry-only access. As of April 2022, there were 2,529 Financial system user accounts and 1,531 HR system user accounts.

The SAM II system is managed by the Office of Administration (OA). The OA Division of Accounting is responsible for the Financial and HR systems, including maintaining policies and procedures for use of the systems. Technical support is provided by the systems development and programming staff under the OA Information Technology Services Division (ITSD).<sup>4</sup> An ITSD security administrator is responsible for processing security requests to add, change, or remove user access to the Financial and HR systems.

Changes to the functionality of the SAM II system are processed by ITSD programmers with access to software libraries that maintain source code. Source code is the written programming code used to produce an executable program in the SAM II system. Software libraries are maintained in separate environments for programs being developed or modified, programs being tested by users, and programs approved for use.

## MissouriBUYS

The MissouriBUYS system is the state's eProcurement system, which establishes a virtual marketplace between state departments and agencies, and vendors. The system replaced the state's previous On-Line Bidding and Vendor Registration systems. The system was fully implemented during 2018 and integrates with the SAM II system for financial processing. As of May 2022, there were 1,911 MissouriBUYS user accounts.

The MissouriBUYS system is provided by a third-party contractor using a Software-as-a-Service (SaaS) model. Under this model, the state pays a subscription fee to use the software, and the contractor is responsible for hosting the software on a password-secured website, and all maintenance and support of the software. The state has elected to retain responsibility for user

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<sup>4</sup> Prior to July 2019, the state also contracted with the system vendor for additional support services. Due to rising costs, this contract was allowed to expire, and the system is now solely supported by the ITSD. If the state requires additional support from the vendor, an hourly charge applies.



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## Statewide Accounting System Internal Controls Introduction

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account administration, and placed that responsibility within the OA Division of Accounting.

### SAM II system replacement

During fiscal year 2019, the state began the process to identify a new enterprise resource planning (ERP) system to replace the SAM II system, to be named the Missouri Vital Enterprise Resource System (MOVERS). Steering committees and other teams were created for oversight and governance. Following competitive bids, in January 2022, the OA selected the Oracle Fusion Cloud Application software suite as its MOVERS solution. This selection was awarded to Mythics, Inc., an Oracle Corporation software reseller, at an estimated \$142 million for up to 20 years. In August 2022, the OA selected Accenture as the MOVERS integrator, the contractor primarily responsible for implementation activities such as design, configuration, testing, and training, for \$102 million over the project lifetime. Other contractors were also selected for additional MOVERS responsibilities, such as project management and independent review of implementation activities.

By September 2022, contractor implementation efforts began, state departments joined the project to exchange knowledge, and the state planned implementation in three major phases:

- Phase 1 - Budgeting: Implementation in July 2023 (beginning of fiscal year 2024)
- Phase 2 - Finance and Procurement: Implementation in July 2024 (beginning of fiscal year 2025)
- Phase 3 - Human Resources and Payroll: Implementation in January 2026 (beginning of calendar year 2026)

The state has already shifted resources from the current SAM II system toward its eventual replacement. The OA has ceased updates to the SAM II system that are not directly required by law (such as changes in tax regulations), and has minimized administrative changes related to the system (such as updating of policies and procedures and system documentation). This approach is reasonable. However, many of the issues identified in this report are repeat occurrences, detected long before the implementation of the new system began. The recommended improvements to the current system in this report should be considered during the development of the new system.

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## Scope and Methodology

The scope of our audit included internal controls and policies and procedures established and managed by the OA, and other management operations and financial functions and compliance issues in place during the year ended June 30, 2022. Our scope did not include internal controls that are the responsibility of the management of agencies using the SAM II and MissouriBUYS systems.



## Statewide Accounting System Internal Controls Introduction

Our methodology included reviewing written policies and procedures, interviewing various OA personnel, and performing testing. We obtained an understanding of internal control that is significant to the audit objectives and planned and performed audit procedures to assess internal control to the extent necessary to address the audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violation of contract or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We obtained data files from the SAM II system of user accounts having access to the HR and Financial systems as of April 2022. To ensure completeness of the data, we grouped the accounts by agency and compared the results to a separate list of state agencies whose users should have access to the systems. We reviewed the approval rights of the Financial system user accounts to determine if each user was restricted from approving transactions the user had also entered in the system.

We obtained data files from the MissouriBUYS system of user accounts having access to the system as of May 2022.

We obtained employment records of all state employees from the SAM II system. We matched these records to user accounts with SAM II or MissouriBUYS system access to determine if any terminated employees had active user accounts. We provided OA management a list of all terminated employees we found who had active access to the SAM II or MissouriBUYS systems.

Although we used computer-processed data from the SAM II and MissouriBUYS systems for our audit work, we did not rely on the results of any processes performed by these systems in arriving at our conclusions. Our conclusions were based on our review of the issues specific to the audit objectives.

We based our evaluation on accepted state, federal, and international standards and best practices related to information technology security controls from the following sources:

- Missouri Adaptive Enterprise Architecture (MAEA)
- National Institute of Standards and Technology (NIST)
- Government Accountability Office (GAO)
- ISACA



# Statewide Accounting System Internal Controls

## Management Advisory Report

### State Auditor's Findings

#### 1. User Account Management

The Statewide Advantage for Missouri (SAM II) and MissouriBUYS systems are vulnerable to the risk of unauthorized or inappropriate transactions being processed because user accounts of terminated employees are not always removed timely. Additionally, 3 SAM II Financial system users were not prevented from approving transactions they created.

##### 1.1 Terminated users

The SAM II and MissouriBUYS systems' terminated user accounts are not always removed timely, resulting in an increased risk of unauthorized access.

We found 28 former employees still had access to the SAM II Financial system, SAM II Human Resources (HR) system, or MissouriBUYS system 30 days or more after terminating employment from the state agency that had granted the user access. These users were employed by the agencies (and non-agency entities) identified in Table 1.

Table 1: SAM II and MissouriBUYS terminated users by entity

Entity	SAM II Financial users	SAM II HR users	MissouriBUYS users
Elementary and Secondary Education	2	0	4
Health and Senior Services	0	0	2
Labor and Industrial Relations	0	1	0
Mental Health	0	1	2
Missouri Consolidated Health Care Plan	0	1	0
Natural Resources	0	0	3
Office of Administration <sup>1</sup>	1	2	0
Public Safety <sup>2</sup>	2	0	1
Revenue	4	0	0
Social Services	1	0	1
Total	10	5	13

<sup>1</sup> The Office of Administration users include users from the Division of Facilities Management, Design and Construction (1 SAM II Financial user and 1 SAM II HR user) and the Division of General Services (1 SAM II HR user).

<sup>2</sup> The Department of Public Safety users include users from the Missouri State Highway Patrol (1 SAM II Financial user), the Missouri State Emergency Management Agency (1 SAM II Financial user), and the Division of Fire Safety (1 MissouriBUYS user).

Source: SAO analysis of SAM II user accounts as of April 2022 and MissouriBUYS user accounts as of May 2022

According to the Missouri Adaptive Enterprise Architecture (MAEA),<sup>5</sup> agencies must have a procedure in place for the timely notification of the

<sup>5</sup> The Enterprise Architecture includes standards, policies and guidelines established by OA Information Technology Services Division management. The Enterprise Architecture is made up of several information technology domains, including domains dedicated to security and information. The domains define the principles needed to help ensure the appropriate level of protection for the state's information and technology assets.





## Statewide Accounting System Internal Controls Management Advisory Report - State Auditor's Findings

administrator when a user no longer needs access.<sup>6</sup> SAM II and MissouriBUYS policies and procedures place the responsibility for identification of accounts belonging to terminated and transferred users with the agency employing the users. Agencies are responsible for determining who is given access to the system and for ensuring all individuals who have access still need the access. When a user no longer needs access, procedures require agency security coordinators to submit a form to the OA security administrator requesting removal of the user's access to the system.

OA management indicated that while the OA provides resources to agencies to identify terminated employees, including monthly user reports, OA staff cannot remove a user's access without the agency submitting a request. Agencies contacted by the SAO did not identify any specific reasons why they had failed to remove an account.

Although agencies are responsible for submitting requests to add, change, or remove user access rights, OA management is ultimately responsible for security of the systems. The OA has documented procedures in place for the central security administrator to regularly check for user IDs associated with terminated employees and report any findings to agency security coordinators. In addition, the OA provides user security reports to agencies listing users and access levels for use by agency security coordinators, who are expected to review user access. However, these controls are not consistently effective since terminated employees continued to have active system access.

In order to access the SAM II system, authorized users must be connected to the state network. While this is a strong control, it is not always effective in eliminating unauthorized access. For example, users retain access to the state network when they transfer employment between agencies. Failing to remove accounts also leaves them vulnerable to unauthorized access by others, such as a former co-worker or supervisor who may know the former employee's user name and password. The most effective way to reduce the risk of inappropriate access is to timely disable the accounts of the users in question.

Without effective procedures to remove access, terminated employees could continue to have access to critical or sensitive resources or have opportunities to sabotage or otherwise impair entity operations or assets, according to the Government Accountability Office (GAO).<sup>7</sup>

<sup>6</sup> OA Information Technology Services Division, MAEA, Maintaining User Accounts, February 2022, <<https://oa.mo.gov/sites/default/files/CC-Maintaining-User-Accounts.pdf>>, accessed October 17, 2022.

<sup>7</sup> GAO, Report GAO-09-232G, Federal Information System Controls Audit Manual, February 2009, p. 176 and 225, <<https://www.gao.gov/assets/gao-09-232g.pdf>>, accessed October 17, 2022.



## Statewide Accounting System Internal Controls Management Advisory Report - State Auditor's Findings

### 1.2 Transaction approvals

OA management has not fully corrected a weakness in the SAM II Financial system security settings that allows users to create a transaction and then apply approval to the same transaction without review or additional approval from another party.

Each user account in the Financial system is assigned certain rights and privileges from a list of available options, including the authority to create and approve transactions. Each agency is also able to assign rules to transactions to specify approvals necessary based on dollar value and transaction type. If a user is allowed rights to both create and approve a transaction, and these rights satisfy the rules established for the transaction, the user would be able to create and approve the same transaction without review or additional approval from an independent party. While OA management has taken steps to limit this risk, we identified 3 Financial system user accounts had authority to enter and approve the same expenditure transaction as of April 2022. These users were employed by the agencies identified in table 2.

Table 2: SAM II users with authority to create and approve transactions by entity

Entity	Number of users
Public Safety <sup>1</sup>	1
Office of Administration <sup>2</sup>	2
Total	3

<sup>1</sup> The Department of Public Safety user was from the Division of Alcohol and Tobacco Control.

<sup>2</sup> The Office of Administration users were from the Division of Accounting.

Source: SAO analysis of SAM II Financial user accounts

Management of the Department of Public Safety indicated the user who could enter and approve transactions could do so because the employee was primarily assigned to review and approve transactions, but needed to be able to enter transactions in the event the employee normally assigned to those duties was unavailable. However, this arrangement creates risk of inappropriate or unauthorized transactions.

OA management indicated the authority for both users to enter and approve transactions was unintended. Such authority began when the OA enabled (and ended when the OA later disabled) statewide system access for both users. Such access was intended to temporarily support the state's processing and oversight of Coronavirus Relief Fund transactions. However, while enabled, this access, combined with the users' pre-existing rights, provided the users the authority to enter and approve transactions. We confirmed that neither user had both entered and approved any transactions inappropriately during their respective 2 and 9 month period with such authority.



## Statewide Accounting System Internal Controls Management Advisory Report - State Auditor's Findings

	Allowing users to approve their own transactions without another approval increases the risk that inappropriate or unauthorized transactions may be processed.
Similar conditions previously reported	A condition similar to section 1.1 was noted in our prior 4 audit reports, and a condition similar to section 1.2 was noted in our 2010, 2013, and 2019 audit reports.
Recommendations	<p>We recommend the OA consider the following improvements. In addition, we recommend the OA consider them, if applicable, when implementing the new statewide accounting system:</p> <ol style="list-style-type: none"><li>1.1 Continue monthly reviews of SAM II and MissouriBUYS user accounts to ensure access of terminated or transferred employees is removed, and develop additional procedures to identify accounts no longer needing access.</li><li>1.2 Continue to eliminate the risk of users approving transactions they create and establish policies to ensure future users are not granted this ability.</li></ol>
Auditee's Response	<i>The department's written response is included in the Appendix.</i>
Auditor's Comment	The department's written response to section 1.1 states the audit fails to acknowledge or evaluate the requirement for users to access the state network in order to access the SAM II accounting system. Our report acknowledges this is a strong, but not always effective, control. The most effective way to reduce the risk of inappropriate access is to timely disable the accounts of the users in question.

## 2. Security Administration

OA management does not require supervisory review of system-logged user actions performed by the SAM II central security administrator, resulting in increased risk of unauthorized activities.

Each agency designates a security coordinator, who reviews and approves requests from staff of that agency to access the SAM II system, and periodically reviews reports provided by OA to ensure agency users' access remain appropriate. Agency security coordinators do not have access rights in the SAM II system to directly make changes. They instead submit documentation (request forms and supporting information as necessary) requesting any additions, changes, or removals of users to an OA-centralized SAM II security administrator, who has the access rights necessary to process the requested changes.

OA management indicated the security administrator, by virtue of her duties, can change her level of access to the system at any time by self-assigning



## Statewide Accounting System Internal Controls Management Advisory Report - State Auditor's Findings

profiles. For this reason, it is important that compensating controls be established, such as periodic managerial review of system changes made by the security administrator to ensure changes are supported by appropriate documentation, and documented formal monitoring of certain high-risk accounts and changes. Routinely monitoring security administrator actions can help identify significant problems and deter employees from inappropriate activities.

Management from the OA Division of Accounting indicated that the central security administrator is not an employee of the Division of Accounting, but rather of the Information Technology Services Division (ITSD). Accordingly they state they are unable to perform this monitoring. ITSD management has indicated they can provide the necessary information to the Division of Accounting upon request.

A similar condition was noted in our prior 4 audit reports.

### Recommendation

The OA perform and document periodic supervisory reviews of defined actions performed by the security administrator. In addition, the OA should consider this, if applicable, when implementing the new statewide accounting system.

### Auditee's Response

*The department's written response is included in the Appendix.*

## 3. Policies and Procedures

OA management has not fully developed policies and procedures for SAM II system administration. Access to software libraries has not been appropriately segregated, a policy for the reversal of programming changes has not been established, and the responsibility for maintaining contingency plans has not been formally documented. The resulting internal control weaknesses leave the system vulnerable to unauthorized changes being made and less assurance the contingency plans will remain current.

### 3.1 Programmer segregation of duties

OA management has not fully established policies and procedures to segregate programmer access to the SAM II system software libraries, including the production environment, or to ensure software libraries are fully protected from unauthorized changes.

Changes to an information system can potentially have significant effects on the security of the system. As a result, organizations should define, document, approve, and enforce access restrictions associated with changes to the information system.<sup>8</sup>

<sup>8</sup> NIST, Special Publication 800-53 Revision 5, *Security and Privacy Controls for Information Systems and Organizations*, p. 102, <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r5.pdf>, accessed October 17, 2022.



## Statewide Accounting System Internal Controls Management Advisory Report - State Auditor's Findings

Programmers responsible for development and maintenance of source code are allowed to move source code into the production environment. Management review procedures are not sufficient to ensure the source code placed in production is the approved version. As a result, a programmer can modify source code or insert new code without detection. According to OA management, the agency does not have sufficient personnel to segregate the library management functions from programmers and instead relies on supervisory review. However, supervisory reviews performed are not documented to provide evidence of their effectiveness.

According to the GAO,<sup>9</sup> access to software libraries (such as development, testing, and production) should be limited and the movement of programs and data among libraries should be controlled by personnel independent of both the user and the programming staff.<sup>10</sup> Organizations should also conduct periodic reviews of information system changes to determine whether unauthorized changes have occurred, according to NIST.<sup>11</sup>

Inadequately segregated duties increase the risk that erroneous or fraudulent transactions could be processed, improper program changes implemented, or computer resources damaged or destroyed, according to the GAO.<sup>12</sup> Management can reduce the risk of unauthorized changes and help ensure the appropriateness of changes by performing and documenting supervisory review of programmer actions if adequate resources are not available to properly segregate duties.

### 3.2 Change management

OA management has not fully developed a policy for reversing changes in the event of unforeseen complications in the implementation process.

Configuration (i.e., change) management provides assurance that the system in operation has been configured to organizational needs and standards, that any changes to be made are reviewed for security implications, and that such changes have been approved by management prior to implementation.<sup>13</sup> Good

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<sup>9</sup> GAO, Report GAO-09-232G, *Federal Information System Controls Audit Manual*, February 2009, p. 282 and 283, <<https://www.gao.gov/assets/gao-09-232g.pdf>>, accessed October 17, 2022.

<sup>10</sup> Ibid., p. 282.

<sup>11</sup> NIST, Special Publication 800-53 Revision 5, *Security and Privacy Controls for Information Systems and Organizations*, p. 100 and 101, <<https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r5.pdf>>, accessed October 17, 2022.

<sup>12</sup> GAO, Report GAO-09-232G, *Federal Information System Controls Audit Manual*, February 2009, p. 301, <<https://www.gao.gov/assets/gao-09-232g.pdf>>, accessed October 17, 2022.

<sup>13</sup> NIST, Special Publication 800-12 Revision 1, *An Introduction to Information Security*, p. 45, <<https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-12r1.pdf>>, accessed October 17, 2022.



## Statewide Accounting System Internal Controls Management Advisory Report - State Auditor's Findings

configuration management provides strict control over the implementation of system changes and thus minimizes corruption to information systems.<sup>14</sup>

OA's change control procedures did not require programming staff to document procedures for the reversal of a change to the SAM II system if the implementation did not operate as intended. As part of the implementation plan for a proposed change, consideration should be given to how the change would be reversed in the event of a system error or other unforeseen complication.<sup>15</sup> OA management indicated standard written procedures have not been developed because the SAM II system is in the process of being replaced, thus making changes a rare occurrence.

Failure to document reversal procedures for proposed changes leaves the system at risk of extended failure and outages if a change fails to produce the expected results and necessary resources to reverse the change are not readily available.

### 3.3 Contingency planning

OA management has not documented specific responsibilities for oversight and maintenance of the SAM II contingency plans.

Contingency plans establish policies, procedures, and technical measures that can enable a system to be recovered quickly and effectively following a service disruption or disaster.<sup>16</sup> Contingency plans should be reviewed for accuracy and completeness at least annually or whenever significant changes occur to any element of the plan.<sup>17</sup> While responsibility for maintaining the contingency plans has been informally assigned, OA management has not documented the formal assignment of specific responsibilities for maintaining the contingency plans. OA management indicated responsibilities related to contingency planning have not been formalized because the SAM II system is in the process of being replaced.

According to accepted standards, assigning responsibilities for oversight and maintenance of the contingency plan is a crucial element of the contingency

<sup>14</sup> GAO, Report GAO-09-232G, *Federal Information System Controls Audit Manual*, February 2009, p. 275, <<https://www.gao.gov/assets/gao-09-232g.pdf>>, accessed October 17, 2022.

<sup>15</sup> ISACA, *Control Objectives for Information and Related Technologies 2019 Framework: Governance and Management Objectives*, November 2018, p. 197.

<sup>16</sup> Missouri Office of Administration - Information Technology Services Division, Missouri Adaptive Enterprise Architecture, *Contingency Plan Development, Documentation, and Technical Considerations*, November 2006, <<https://oa.mo.gov/sites/default/files/CC-ContingencyPlanDevelmtDocTechConsids112806ARC.pdf>>, accessed October 17, 2022

<sup>17</sup> Missouri Office of Administration - Information Technology Services Division, Missouri Adaptive Enterprise Architecture, *Contingency Plan Testing, Training, Exercises, and Manteca*, July 2019, <<https://oa.mo.gov/sites/default/files/CC-ContingencyPlanTestingTrainingExerciseMaintenance.pdf>>, accessed October 17, 2022





## Statewide Accounting System Internal Controls Management Advisory Report - State Auditor's Findings

planning process.<sup>18</sup> This formal designation will continue to be an important consideration for the SAM II replacement system.

Without a formal designation of staff responsible for oversight and maintenance, there is increased risk that contingency plans and related policies and procedures may not remain current, potentially impacting the ability to promptly restore the system and related business functions.

Similar conditions  
previously reported

Similar conditions to sections 3.1, and 3.2 were noted in our prior 4 audit reports, and a similar condition to section 3.3 was noted in our prior 3 audit reports.

### Recommendations

We recommend the OA consider the following improvements. In addition, we recommend the OA consider them, if applicable, when implementing the new statewide accounting system:

- 3.1 Restrict programmers from moving source code to the production environment. If resource constraints prohibit segregation of duties, sufficient supervisory review of programmer actions should be performed and documented.
- 3.2 Enhance change management policies and procedures by documenting procedures for the reversal of changes to the system if the implementation did not operate as intended.
- 3.3 Ensure adequate, complete documentation of the system is maintained throughout the entire system life-cycle, including replacement. This documentation should include formally designating responsibility for creating and maintaining contingency plans to ensure the system is available in the event of a disaster.

### Auditee's Response

*The department's written response is included in the Appendix.*

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<sup>18</sup> NIST, Special Publication 800-53 Revision 5, *Security and Privacy Controls for Information Systems and Organizations*, p. 115, <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r5.pdf>, accessed October 17, 2022.



Appendix  
Statewide Accounting System Internal Controls  
Office of Administration Response

Michael L. Parson  
Governor



Kenneth J. Zellers  
Commissioner

State of Missouri  
**OFFICE OF ADMINISTRATION**

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Stacy Neal  
Director

January 10, 2023

Honorable Scott Fitzpatrick  
Missouri State Auditor  
P.O. Box 869  
Jefferson City, Missouri 65102

Dear Mr. Fitzpatrick:

This letter is to document formal responses to your office's audit of the Statewide Accounting System Internal Controls.

**1. The OA consider the following improvements. In addition, the OA consider them, if applicable, when implementing the new statewide accounting system:**

**1.1 Continue monthly reviews of SAM II and MissouriBUYS user accounts to ensure access of terminated or transferred employees is removed, and develop additional procedures to identify accounts no longer needing access.**

*Division's Response: We do not agree that risk associated with unauthorized access to the SAM II system is as significant as reported in the audit because user must access the state network in order to access the accounting system. The audit fails to acknowledge or evaluate this initial security measure. OA will continue providing oversight of user accounts. System limitations exist related to deleting accounts in MissouriBUYS. The system limitations revolve around employees that establish a transaction in MissouriBUYS and subsequently transferred to another agency or leave State employ. MissouriBUYS will not allow us to delete a user with an open transaction. Therefore, we must suspend the account.*

**1.2 Continue to eliminate the risk of users approving transactions they create and establish policies to ensure future users are not granted this ability.**

*Division's Response: OA will continue providing oversight of user accounts.*

**2. The OA perform and document periodic supervisory reviews of defined actions performed by the security administrator. In addition, the OA should consider this, if applicable, when implementing the new statewide accounting system.**





Appendix  
Statewide Accounting System Internal Controls  
Office of Administration Response

*Division's Response: Monthly reviews of MissouriBUYS system security administrators' activities have been occurring and will continue. OA will periodically conduct a random sample of SAM II administrator security actions to provide additional oversight.*

- 3. The OA consider the following improvements. In addition, the OA consider them, if applicable, when implementing the new statewide accounting system:**

- 3.1 Restrict programmers from moving source code to the production environment. If resource constraints prohibit segregation of duties, sufficient supervisory review of programmer actions should be performed and documented.**

*Division's Response: OA recognizes that segregation of programmer duties is desired. However, resource constraints prohibit complete segregation of duties. OA recognizes that periodic supervisory audits of system changes are a best practice however, we also recognize given the age of the system and its impending replacement, very few to no changes are occurring which reduces any risk. OA will determine if this restriction can be done within MOVERS, the new system currently being implemented.*

- 3.2 Enhance change management policies and procedures by documenting procedures for the reversal of changes to the system if the implementation did not operate as intended.**

*Division's Response: Since OA is making few to no changes given the age of the accounting system and we are currently implementing MOVERS; OA does not believe it is a good use of state resources to draft a policy and procedure with little to no value.*

- 3.3 Ensure adequate, complete documentation of the system is maintained throughout the entire system life-cycle, including replacement. This documentation should include formally designating responsibility for creating and maintaining contingency plans to ensure the system is available in the event of a disaster.**

*Division's Response: OA has successfully managed to maintain operations during the recent pandemic when state offices were closed. Even though offices were closed, employees were paid timely and without interruption because advances in technology allow staff to work from anywhere and procedures are documented sufficiently that staff completing unfamiliar tasks were successful. OA believes we have proven our abilities to maintain systems with the existing documentation.*

Sincerely,

Stacy Neal, CPA  
Director, Division of Accounting